

LEADING LIFE INSURANCE WEEKLY

The National Underwriter

LIFE INSURANCE EDITION

FRIDAY, SEPTEMBER 20, 1929

SEP 21 1929

4½ Millions Increase

So Far In 1929!

**The Successful
Life Underwriter's
Agency—**

"SPLIT SECOND SERVICE!"

ALEXANDER E. PATTERSON

General Agent

THE PENN MUTUAL LIFE INSURANCE COMPANY

Suite 1336

120 S. La Salle St.

CHICAGO

FRANKlin 7575



LEADERSHIP

MEN naturally follow the leader. An athlete, an outstanding success in business or industry, a genius in literature—each of these is admired and respected by men, and each sets a standard to be followed.

☞ And so it is with life insurance companies. The leaders set the pace and maintain the standard of quality.

☞ Agents representing the Illinois Life are proud of the standing of their company. They know that when better policies are devised the Illinois Life will have them.

☞ Illinois Life men know that their company is a leader; that it is constantly improving its methods of operation. Illinois Life men have faith in their company and its ideals.

The Illinois Life—a leader

Illinois Life Insurance Co.

Illinois Life Building Chicago 1212 Lake Shore Drive

Raymond W. Stevens, President



TOM WISE tells how hundreds of parents help sell Inter-Southern *Junior Policies*

AS soon as an Inter-Southern representative sells a *Junior Policy*, he finds that the parents who purchased that policy have become his partners. They are so appreciative of the many practical values of the Inter-Southern *Junior Policies* that immediately they tell other parents about them.

They point out the fact that these policies not only open the door to college education and business opportunities, but that the children who own these policies receive practical training in thrift and industry. They are encouraged to save and to earn toward payments on the policies. The possession of these policies gives definite point and purpose to ambition as boys and girls prepare for college and to enter business.

Every day parents are seeing these influences on their children. Every day parents are telling other

parents of the many-sided value of the Inter-Southern *Junior Policies*. And every day Inter-Southern representatives are sought by parents who want for their children the incentive as well as the protection of *Junior Policies*.

No wonder Inter-Southern men find these policies so easy to sell. There is the further attraction that a generous commission is allowed on them and that these policies serve as excellent leads to other business. Any insurance man who is interested in selling these unique and attractive policies is invited to write to the Inter-Southern.

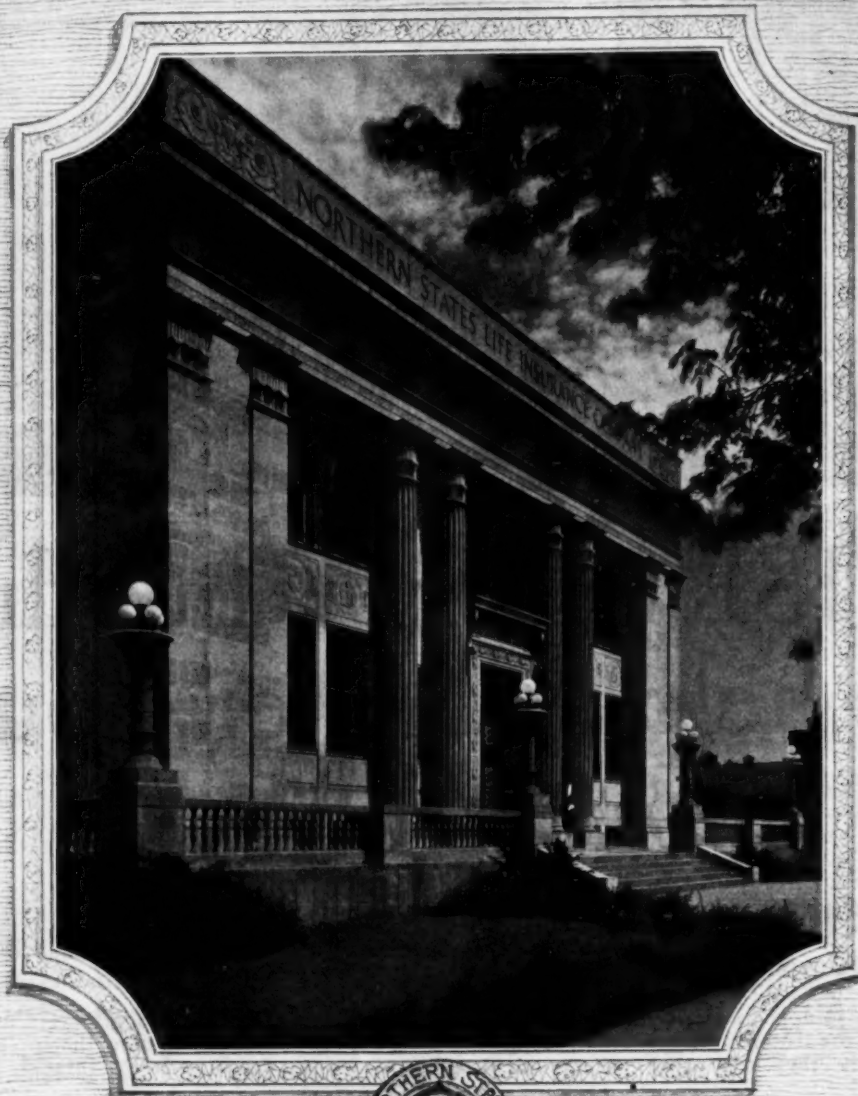


INTER-SOUTHERN LIFE INSURANCE CO.

CAREY G. ARNETT, *President*

HOME OFFICES, LOUISVILLE, KY.

Insurance In Force Over One Hundred and Sixty Million Dollars



NORTHERN STATES
LIFE INSURANCE COMPANY
HAMMOND, INDIANA

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The National Underwriter

LIFE INSURANCE EDITION

Thirty-Third Year No. 38

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, SEPTEMBER 20, 1929

\$3.00 Per Year, 15 Cents a Copy

Large Meeting on at Toronto

National Convention of Insurance
Commissioners Has Big
Attendance

DUNHAM IN THE CHAIR

Varied Program of Business and Enter-
tainment is Provided for the
State Officials

By C. M. CARTWRIGHT

TORONTO, Sept. 19.—The Canadian formality and observation of amenities and conventions was a marked feature at the meeting of the National Convention of Insurance Commissioners at Toronto this week. Participating Canadian commissioners were more deferential and gracious in their address than their counterparts from south of the line.

For months under the leadership of T. G. McConkey, general manager of the Canada Life, the head of the arrangements committee, and R. Leighton Foster, insurance superintendent of Ontario, official host, plans had been carefully laid out; rank and seniority had been marked on the chart.

Formalities Observed

Tuesday on the platform in front of the English and United States colors were seated the representatives of the National Convention of Insurance Commissioners and the Association of Insurance Superintendents of the Provinces of Canada. It was the session of welcome and exchange of compliments, a joint affair with Mr. McConkey presiding.

Prime Minister Ferguson, scheduled to be present, was in the midst of a political maelstrom, as he had called a general election for Oct. 30, the night before. His worship, the Mayor of Toronto, had an important meeting of his cabinet, hence Finance Commissioner George Wilson and Superintendent Foster extended the greeting. C. C. Wysong of Indiana, the American vice-president, responded for his organization, saying this was the 60th annual meeting.

Dunham Touches on History

To get away from prejudice and baneful parochial influence, he declared, the commissioners had come to Canada to discuss prohibition and farm relief. He spoke too, for the great army of camp followers, the third house, of which he said J. V. Barry was the speaker, Jesse S. Phillips the leader of the right, and John A. Hartigan, leader of the left.

H. G. Garrett, New Brunswick commissioner, vice-president of his organization and its incoming president, also responded. The Canadian association started in 1917. He and A. E. Fisher of Saskatchewan are the only survivors of that day.

Col. H. P. Dunham of Connecticut,
(CONTINUED ON PAGE 25)

Mortality Report Shows Best Record in History

The most favorable mortality ever experienced by American life companies is disclosed in the report on an investigation into the mortality among a large number of occupations just completed by the joint committee on mortality of the Actuarial Society of America and the Association of Life Insurance Medical Directors. The committee selected 430 occupations or groups although it was known that it would be necessary to combine a number of these. In fact, there were in only 175 classes 25 or more actual deaths. The total number of entrants was more than 1,300,000 and the number of deaths 22,600. Average duration was 3.6 years, a short period for a satisfactory study, and the average age at entry was 36.6 years.

It was necessary in order to obtain the proper standard of comparison for determining the relative mortality in various occupational groups to prepare two new basic tables of mortality.

Prepare Two New Tables

The tables for issues of 1920 to 1926 show an exposed to risk of over \$70,000,000,000 with \$275,000,000 death losses and there was double that amount of death losses under the table covering issues of 1915 to 1926. Following is a table taken from the report showing death rate per \$1,000 of insurance for the policy years indicated and at the ages of entry shown:

Policy year	Ages at Entry		
	20 to 24	35 to 39	50 to 54
1	1.69	2.29	6.70
2	1.98	3.06	9.49
3	2.20	3.73	10.59
4	2.35	3.92	11.40
5	2.40	4.02	12.89

Policy year	Ages at Entry		
	20 to 24	35 to 39	50 to 54
6	2.55	4.49	15.14
7	2.56	4.62	16.69

Include Influenza Years

"The basis table for the issues of 1915 to 1926 included the serious influenza epidemic of 1918-19 and, at the younger ages, reflects this in an irregular series of ratios," the report stated. "For example, the death rate for group ages 20 to 24 at entry is 2.86 per thousand in the second policy year, 3.10 in the third year, but only 2.83, 2.42 and 2.50 in the seventh, eighth and ninth policy years respectively.

"As the deaths due to the epidemic were principally at the younger ages, there is no such peculiarity at the older ages at entry. The deaths due to warfare were of comparatively little moment in the 1915-1926 table and, of course, had no effect in the 1920-1926 table."

San Francisco Seeks Life Underwriters' 1932 Meeting

SAN FRANCISCO, Sept. 10.—When N. J. Goldsmith of the Equitable Life of New York arrives at the convention of the National Association of Life Underwriters at Washington, D. C., he will carry with him as a delegate from the San Francisco association an invitation to the national body to hold its 1932 convention in San Francisco. Officers of the local association as well as general agents and producers in this territory are enthusiastic over prospects for the entertainment of the National association that year. It is pointed out that owing to the Olympiad being held in Los Angeles in 1932, it would provide an excellent opportunity for delegates to witness many of the athletic events either en route to or from the convention.

Last Coast Meeting in 1924

The Pacific Coast has not played host to the National association since 1924, when the meeting was held in Los Angeles. In 1915, in conjunction with the World Insurance Congress, the national meeting was held in San Francisco.

Mr. Goldsmith, who is prominently identified with association activities in San Francisco, was formerly a resident of Sacramento, where he served as president of the Sacramento association.

Metropolitan Cuts Rates for Reinsuring Term Policies

NEW YORK, Sept. 19.—Notable reductions in reinsurance premiums on renewable term policies have been effected by the Metropolitan Life's reinsurance department, effective Jan. 30, 1930. The new scale is a readjustment according to the American Men ultimate table of mortality and the older ages show a slight increase in some cases, but the table as a whole shows a notable reduction and the younger ages show decreases from 25 to 30 percent. The annual premium per \$1,000 is as follows under the new schedule at sample ages: age 15, first year premium, \$2.79, renewal premium \$5.57; age 20, first year premium, \$3.03, renewal premium \$6.06; age 25, first year premium, \$3.23, renewal premium, \$6.46; age 30, first year premium, \$3.31, renewal premium, \$6.61; age 35, first year premium, \$3.47, renewal premium, \$6.94.

Loomis to Address Casualty Men

James Lee Loomis, president Connecticut Mutual Life, will be the life insurance speaker at the meeting of casualty company agents and executives at White Sulphur Springs Oct. 1, the subject of his address being "Present Day Life Insurance Problems."

C. L. U. Degree Winners Given

Results of Examinations of American College of Life Underwriters in June Announced

LIST 61 AS SUCCESSFUL

This Brings Total Number of Chartered Life Underwriters to 97—Others Have Partial Credits

At the June examination, conducted by the American College of Life Underwriters, the following 61 candidates passed all of the five examinations and, having completed the eligibility requirement of three years of satisfactory life insurance experience, are therefore entitled to use the designation of C. L. U.:

George L. Amrhein, instructor in insurance, University of Pennsylvania; Edward F. Bailey, Equitable Life of N. Y., Philadelphia; Merritt A. Boyle, State Mutual Life, Cincinnati; Howard C. Brayton, Mutual Life of N. Y., Portland, Ore.; George J. Brown, Equitable Life of Iowa, Lafayette, Ind.; Mrs. Zura Z. Brown, Lincoln National Life, Fort Wayne Ind.; Howard H. Cammack, John Hancock Mutual Life, Huntington, W. Va.

One Is from China

Tuh-Yui Chang, actuary China United Assurance Society, Shanghai; Fred V. Chew, associate professor of insurance, Indiana University; Paul W. Cook, Mutual Benefit Life, Evanston, Ill.; Walter A. Craig, Mutual Benefit Life, Philadelphia; Roy L. Davis, Central Life of Illinois, Chicago; Wm. J. Dunsmore, agency manager, Equitable Life, New York; Clayton Elliott, life insurance broker, San Francisco; Freeman Essex, Northwestern Mutual Life, Portland, Ore.; Olin Kyrle Fearing, Provident Mutual Life, Lawrence, Kans.; Wm. E. Field, Prudential, Providence, R. I.

H. Cochran Fisher, Aetna Life, Washington, D. C.; Floyd W. Forker, Pacific Mutual Life, Los Angeles; Richard H. Habbe, Massachusetts Mutual Life, Indianapolis; Alvin T. Haley, sales promotion manager, Jefferson Standard Life; Neil Hathaway, Mutual Life of N. Y., Los Angeles; Ray F. Hodges, general agent, Ohio National Life, Cincinnati; C. W. Hollebaugh, field secretary Western States Life; Norman W. Igo, Equitable Life, Youngstown, O.; William R. Julius, supervisor Guardian Life, New York.

University Instructors on List

Clyde McC. Kahler, instructor in insurance, University of Pennsylvania; Chester A. Kline, instructor in insurance, University of Pennsylvania; Lloyd Lafot, New York Life, Los Angeles; Arthur Walton Litz, Great Southern Life, Nashville, Tenn.; Eugene T. Loth-

(CONTINUED ON PAGE 26)

Life Insurance Production Continues Its Record Pace

NEW YORK, Sept. 19.—Life insurance is keeping pace with the summer business boom which has swept the country, August repeating the record of July in piling up a new high total for the month. In August the total life insurance production was 16 percent over August of last year. In July the paid for total was 17.8 percent over July of last year. These months have brought the total for the year to 7.5 percent over the year to date total in 1928, setting a new high peak for life insurance production in the first eight months of the year. The summer gains have entirely offset the slight slump which set in during May and June.

Another Billion Month

Ordinary insurance has shown an excellent gain during the summer, the August total being 11.4 percent over August of last year, and the year to date total being 7.5 percent over the total for the first eight months of last year.

Industrial insurance showed an even greater increase, the August gain being

13.3 percent, and the year to date gain being 7.9 percent.

Group insurance has shown a remarkable increase this summer, the July increase of 99 percent being followed by a 75.3 percent increase in August. The year to date increase is only 7 percent however, as group insurance suffered three months of rather sharp decrease earlier in the year.

For August, the aggregate of all classes was \$1,017,113,000 against \$876,885,000 in 1928. New ordinary insurance amounted to \$698,196,000 against \$626,594,000. New industrial insurance amounted to \$219,144,000 against \$193,365,000. New group insurance was \$99,773,000 against \$56,926,000. For the first eight months of 1929, the total of all classes written was \$8,651,501,000 against \$8,047,076,000 during the same period of 1928. New ordinary insurance amounted to \$5,939,988,000 against \$5,527,659,000. New industrial insurance was \$1,953,371,000 against \$1,811,050,000. New group insurance was \$758,142,000 against \$708,367,000.

Difference in Method of Conducting the Meetings

TORONTO, CAN., Sept. 19.—As the National Convention of Insurance Commissioners and the Association of Canadian Insurance Superintendents both met here this week, the method of procedure can be compared. At the Canadian meetings the agenda is carefully prepared beforehand, with a brief explaining and elucidating each special subject, signed by one or more of the superintendents. Most of these are committee reports. Each topic is carefully treated and the printed reports are circulated among those interested.

Superintendents All at Table

At the meetings the Canadian superintendents all sit at the table at the head of the conference. A subject is reached. Company or organization officials, attorneys or others then discuss the subjects presented, with the commissioners asking questions or making comment.

At the United States meetings, the discussions are among the commissioners themselves, unless there is some special order, when the privilege of the floor is granted to outsiders. The Canadians are more systematic and orderly in their procedure.

SECURITY MUTUAL, NEBRASKA, TO HEAR OUTSIDE SPEAKERS

The Security Mutual Life of Nebraska will hold its annual agency meeting at the home office in Lincoln Sept. 27-28. Two out-state speakers will address the convention. A. J. McCandless, secretary of the Lincoln National, will discuss the problems of the smaller companies, and George B. Graves, general agent at St. Paul of the Massachusetts Mutual, will talk on production methods. Mr. Graves is a former Lincoln lawyer, who switched 40 years ago to life insurance, and has achieved outstanding success.

R. W. Steckler of the Security agency force is to discuss how insurance magazines and books can be used profitably to increase production. T. A. Sick of the home office staff will present company helps and suggestions, while Vice-president Maurice A. Hyde will preside at a round table discussion of the fundamentals of life insurance, and a question box. President E. B. Stephenson will present the company's plans and aims for the next year.

Central Life's Convention to Be Held in Florida

The Central Life of Illinois will hold its annual convention the last week in February, at Panama City, located on St. Andrews Bay, one of the most beautiful spots in northwestern Florida.

A special train will be run from Chicago to Panama City, and it is expected that about 100 men will qualify for the convention.

For the year to date, the company is over 50 percent ahead in paid for business of the same period a year ago, and by the extension of its agency organization has doubled the number of producing agents.

August this year was the biggest August in history, approximately three times as much business being written as during the same month in 1928, and approximately two and one-half times as much business being paid for. It is expected that its 1928 production will be doubled during 1929.

Riley Retires as General Agent

Timothy Riley, who has served the Equitable Life of Iowa since July 2, 1894, and as general agent at Burlington, Ia., since July 2, 1899, at his request has been relieved of the responsibility of continuing to build his agency and becomes a special representative. Mr. Riley is in his 70s and desires freedom for recreation and travel and time to serve his many policyholders. Newell C. Day, who has represented the company for more than ten years in various capacities of organization work, goes to the Burlington agency from Baltimore as agency manager.

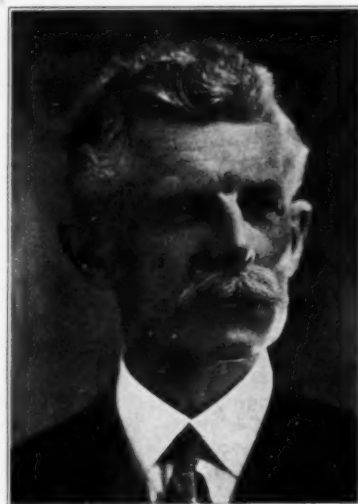
Mutual Life of Canada Convention

The annual convention of the Quarter Million Club of the Mutual Life of Canada was held at Banff, Alta., with 91 agents present as guests of the company. W. H. Somerville, general manager, gave the address of welcome. Other officials present were C. M. Bowman, chairman of the board, and R. O. McCulloch, first vice-president.

The officers of the club are: President, T. H. Dickenson, Toronto; vice-president, G. B. Stewart, Montreal; second vice-president, S. R. Burrows, Belleville, Ont.; secretary, E. W. Smith, Waterloo.

Every wide-awake life insurance man should subscribe for his own personal copy of The National Underwriter.

Chosen Chairman



JOHN R. HARDIN
President of Mutual Benefit Life, who will be chairman of the annual convention of the Association of Life Insurance Presidents in New York Dec. 12-13

Conway Reports on Life Insurance in New York

A total of 617,469 life insurance policies was issued in New York during 1928, for \$2,111,765,530 of insurance, not counting group or industrial, and the total amount in force under 4,334,218 ordinary policies was \$12,353,001,541, Superintendent Albert Conway reports. There were 320 group contracts written last year for \$543,144,979 and 2,189,127 industrial contracts for \$701,231,802.

At the time of his report there were 2,204 group contracts in force in New York for a total of \$1,392,423,130 and 4,617,802 industrial contracts for \$3,330,545,314. The total gain for 1928 was 963,777 policies for \$1,659,299,426. Total premiums for all companies in New York were \$592,554,827.

Total Over 13 Billion

All life companies represented in New York wrote \$13,723,663,099, an increase of \$1,250,000,000 during the year. The surplus and special fund, including \$25,225,000 capital, over all liabilities, amounted to \$922,569,145, of which \$477,475,872 was held by New York companies. Combined income last year was \$3,479,144,400, Superintendent Conway reported, and disbursements \$2,202,527,550. The companies paid \$1,540,211,456 to policyholders and beneficiaries; assets increased \$1,338,914,212, liabilities \$1,265,066,467, income \$348,102,431 and disbursements \$247,709,490.

In addition \$6,500,000,000 of fraternal and assessment insurance was carried by organizations authorized in New York, making the total amount of life insurance carried by all companies reporting to the New York department \$85,000,000,000 as compared with the \$100,000,000,000 carried by all companies in this country.

I. E. Hervin Transferred

I. E. Hervin, manager of the San Francisco district office of the Metropolitan Life, has been transferred to Portland, Ore. At the time of his transfer Mr. Hervin was treasurer and chairman of the president's committee of the San Francisco Life Underwriters Association. He will be succeeded by P. G. Young, manager of the Golden Gate district of the Metropolitan Life.

Life Presidents' Plans Are Told

"Advancing Social and Economic Standards Through Business Vision," Theme

HARDIN MADE CHAIRMAN

Extensive Survey of Insurance Process to be Reported—Business Leaders to Speak

NEW YORK, Sept. 19.—John R. Hardin, president of the Mutual Benefit Life, will be the chairman of the annual convention of the Association of Life Insurance Presidents in New York Dec. 12-13. The theme of the convention will be "Advancing Social and Economic Standards Through Business Vision." A report will be made at the convention on a nation-wide survey, covering thousands of death claim payments which has been under way since last spring to answer adequately certain broad questions of national interest. This survey, which is being conducted for the association by one of the largest companies, will reveal important facts regarding the insurance habits of the American public.

Study Insurance Proceeds

"Constructive study of the life insurance habits of Americans will form part of the discussions at the convention," said Manager George T. Wight. "Questions frequently asked in economic circles and never adequately answered because of lack of definite information are: 'What proportion of the estate is by the average American consists of life insurance?' 'What is the relationship of such insurance proceeds to the income of the decedent?' In other words, exactly how much help is life insurance giving and what part is it playing in the history of the average American family in the large city, the town and the country neighborhood?"

Investigations Made

"The company conducting this survey," he continued, "has segregated thousands of proofs of death, where the total payments by it and other companies to given decedents ranged from \$5,000 to \$40,000. Each of these cases was personally investigated to ascertain the total amount of the estate, the year income of the decedent and other collateral information. From the data now being compiled there will be presented to the convention a composite picture of what life insurance is doing to help the average American family to carry on after the death of the policyholder. It is expected that consideration of this data will stimulate further plans for betterment of life insurance service. In this and other ways this year's convention will seek to demonstrate the influence of American business leadership generally in broadening popular participation in the expanding opportunities of this part of the globe."

Outsiders to Speak

Representatives from various fields of activity will give viewpoints on subjects now engaging the best thought throughout the business world. A leading agricultural educator from Kansas will present some of the important relationships of agriculture to the national life today. A New York banker will discuss the new activities and responsibilities of banks and how banking policy is expanding to meet changing conditions. The head of one of the largest railroads (CONTINUED ON LAST PAGE)

American Life Plans Complete

Legal Section Meets October 15
—Others at Regular Session

BANQUET ON THURSDAY

Claris Adams Says Program is Strongest Ever Presented—Sports and Entertainment Provided

The program for the annual meeting of the American Life Convention in Cincinnati, Oct. 16-18, has been completed.

The Legal Section will meet Oct. 15, and all the other sections will meet during the convention proper and their programs in part will be incorporated in the main proceedings.

A general round table discussion of questions not dealt with in the formal papers will be a feature of the meeting of the Legal Section. C. Petrus Peterson, general counsel of the Bankers Life of Nebraska, chairman of the Legal Section, has sent a general request to the members to participate in the general discussions and to advise the officers of the section what questions they desire to have come before the meeting. It is believed that this plan will bring before the membership at large problems which the individual members are dealing with, and with which the general organization should be familiar.

Wednesday afternoon's program will be devoted in part to the home office management section; Thursday morning to the agency section and Thursday afternoon to the financial section. Wednesday night will be "Sectional Night," at which time the sections will meet independently to discuss their individual problems.

Annual Banquet Thursday

The annual banquet will be held Thursday evening and the executive session on Friday afternoon.

"I think we will have perhaps the strongest program ever presented to the American Life Convention," said Claris Adams, general counsel, in announcing the program. "Topics of timely interest

Hunsicker, Age 70, Writes \$1,500,000 During Year

Clayton M. Hunsicker of Philadelphia was installed as president of the Leaders Club of the Fidelity Mutual Life for the eighth time at its meeting last week. Mr. Hunsicker is 70 years old and during the past year wrote \$1,500,000 of new business although he worked only eight months of the time. He has been in the insurance business for 46 years, and during the last 25 has represented the Fidelity Mutual Life.

and extreme importance will be presented by men who have given much thought and study to them and whose papers will constitute a real contribution to the business of life insurance. These subjects include the proper field of life insurance investments; a critical analysis of non-medical experience; the moral hazard in the field of total and permanent disability; an analysis of the aviation risk; the securing and training of life insurance agents; the general problem of home office management, and budgeting in a life insurance company. Opportunity will be provided for general discussion of these subjects."

Golf Tournament Scheduled

Entertainment features will include the annual golf tournament, which will be held Oct. 14-15. The annual golf dinner will be held Tuesday evening at one of the country clubs, and there will be a dinner dance Thursday evening. The local committee is also making adequate preparation for the entertainment of the ladies of the convention.

The program in detail follows:

OCT. 15, 10 A. M.

Legal Section

Opening remarks of chairman, C. Petrus Peterson, general counsel Bankers Life of Nebraska.

"Review of Recent Life Insurance Decisions" Claris Adams, secretary and general counsel American Life Convention.

"Judicial Interpretation of Total and Permanent Disability Clauses and the Proposed Standard Provisions," J. W. Kinsinger, general counsel Milwest Life.

"Ethics of Cancellation," Shepard Bryan, associate counsel Southern States Life.

Discussion.

OCT. 15, 2 P. M.

Legal Section

"Right of an Insurance Company to Recover Proceeds of a Policy in a Disappearance Case Upon the Reappearance of the Insured," Frank W. Wozencraft, of Leake, Henry, Wozencraft & Frank, general counsel American Life of Dallas.

(CONTINUED ON LAST PAGE)

Rhodes Presents Final Plea for Mutual Benefit

TORONTO, Canada, Sept. 19.—Speaking before the National Convention of Insurance Commissioners in session here yesterday, Vice-President E. E. Rhodes of the Mutual Benefit Life presented a final summary of the case of his company in defense of its new policy form which would be prohibited under the proposed standard disability code now before the commissioners. Mr. Rhodes criticized the ambiguity of the disability clause used by the majority of companies.

Definitions Considered

"In one form or another," he said, "total disability has been defined as 'incapacity (resulting from bodily injury or disease) to engage in any occupation for remuneration or profit.' This definition is the one now recommended, for exclusive use, by two committees of actuaries, one appointed by former Superintendent Beha and the other by the National Convention of Insurance Commissioners. It has been the source of much litigation. With a few exceptions the courts of the various states have refused to apply to it a literal interpretation. Although its language is seemingly clear and unambiguous, the courts have held that it does not express the intent of the parties to the contract. The courts have interpreted it in various ways, but the weight of opinion, which is being added to constantly, is that the provision is to be interpreted as meaning that the insured must be unable, in the exercise of ordinary prudence, to perform any substantial part of the labor required in following his regular business, or one for which he might be fitted. The latest case, expressing this view, which has come to my notice is that of Storwick vs. Reliance Life (Washington supreme court, April, 1929) (275 Pac. 550).

No Uniform Interpretation

"This interpretation of the contract departs a long way from its language, but it is based upon considerations of reason and justice, and I am glad to say that many companies are following it in the daily administration of their business. It does not, however, result in uniformity in the adjustment of claims. The views of company officials must differ as to what constitutes a substantial part of the insured's normal business activities. Where there is litigation, juries will differ with respect to the same point. The

insured, having such a provision in his contract, has no certainty regarding its interpretation if a claim should arise under his policy, or, if he is unwilling to accept the company's judgment, he does not know what the court will say. He is entitled to a policy contract which is definite in its provisions.

Left to Good Faith

"Nothing is further from my thought than to raise any question regarding the good faith of the great majority of companies which are using the definition I am now discussing. So far as I know there are only a few companies which attempt to enforce a literal interpretation. The point I am trying to make is that the insured and his beneficiaries should not be in the position of having to accept contracts in reliance upon the good intentions of a company rather than upon the terms of the contract. Nor should life insurance officials be put in the position of having to depart from the terms of the contracts issued by their companies.

Believe Definition Insufficient

"The officers of the Mutual Benefit Life agree with the courts which have held that total disability is established when the insured, by reason of sickness or accident, cannot perform a substantial part of the duties of the occupation in which he was engaged, or one for which he may be fitted. We think, however, that there is one thing which is lacking in this definition—that thing we believe to be essential to the interests of both the policyholder and the company. It is that the contract shall state what constitutes a substantial part of the insured's duties. Unless this measuring rod is provided in the contract, the question of whether disability exists will rest upon the discretion of the officers of the company and not be determined on facts. Of course, authoritative construction can be had by court decision; but that kind of a contract is not a proper working basis for every day administration.

Mutual Benefit's Provisions

"Following this line of reasoning, the Mutual Benefit has provided that the insured shall be regarded as totally disabled when, by reason of accidental bodily injury or sickness, his average monthly earned income for a period of

(CONTINUED ON PAGE 18)

Take Prominent Part in Meeting of Commissioners at Toronto



H. P. DUNHAM, Connecticut
President Commissioners' Convention



RAY A. YENTER, Iowa
Chairman Executive Committee



JOSEPH BUTTON, Virginia
Secretary of Convention

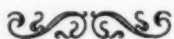


C. D. LIVINGSTON, Michigan
Speaks on Agency Situation

Biloxi Bound!



How about a dip in the huge, glass-enclosed swimming pool—filled with soft Artesian water, drawn from a 900-foot well—an indoor swimming paradise with the temperature always just right, yet with a wonderful beach of sand where delightful sun baths add to the charm of a refreshing dip! Just another one of the myriad attractions of Biloxi, Mississippi, where members of the American Central Field Club will convene next January for their annual frolic! And all this is further proof that, with the American Central, the best is none too good for the fieldman who shows his ability to write good new life insurance and to renew what has been written.



Just one of the many reasons why American Central representatives are happy and successful.



No. 6 of a Series

Would Ease Up on Restrictions

Hobbs Tells Canadian Commissioner About "Super-Insurers" in United States

CRITICISES EXAMINATIONS

Representative of American Supervisors Sees Need for Liberalization of Charter Powers

Many advantages are gained by the group, or fleet, plan of organization, Clarence W. Hobbs, special representative of the National Convention of Insurance Commissioners to the National Bureau of Casualty & Surety Underwriters, said in his address Monday before the Association of Superintendents of Canadian Provinces in convention at Toronto.

The Armstrong investigation of 25 years ago, and the strict legislation which was a result, have been confused by tremendous growth of carriers, and institutions which then were considered to threaten the financial control of this country, now have many times more assets and income without that accompanying fear.

Criticisms of Some Phases

Nevertheless, Mr. Hobbs said, there are phases of the growth of "super-insurers" that could be criticized. One is that advantages of great size are lessened beyond a certain volume of business and there is a tendency for the organizations to become cumbersome and unwieldy. The fleet plan has partially solved this difficulty, but then there is a certain increase in expense. Increased size also makes difficult the personal contacts between chief executives and field men.

One on the chief advantages is the ability to give a complete insurance service. Excerpts from Mr. Hobbs' address are given below:

"The present development of large companies and of groups is to some extent sympathetic to the general economic trend, which is distinctly in the direction of large single industrial, mercantile or financial units, and of drawing the smaller into the larger whether by way of merger or of association and alliance.

Large Scale Saves Expense

"The big company and to a greater or lesser extent, the group, realize a real advantage from the fact of doing business on a large scale. Whether the business be completely unified, as in the case of the large company, or unified with respect to certain activities only, as in the case of the group, there is a great saving in overhead expense, and fine possibility of developing system, economy and efficiency to a degree impossible to the smaller organization.

"On the underwriter's side there is less necessity for resort to reinsurance; and with a big, varied, well distributed business, an underwriting experience more stable and less subject to casual variations. On the investment side, the advantage is perhaps less marked. It is a more simple matter to invest a small fund to advantage than a big one; and while the large fund has some advantage in its mass, that advantage can be realized only by expert handling.

Still Field for Small Company

"It is on the whole, however, improbable that either the big company or

Veteran Is Dead

John A. Morrison, veteran Chicago insurance man, first a casualty producer and later general agent in Chicago, then a large life producer, died last week in his later years he spent a great deal of time in New York writing business. He is remembered particularly for his regular attendance at meetings of the National Convention of Insurance Commissioners. The funeral services were held at Rosehill chapel, Chicago, on Friday.

He received his early training in casualty in the office of Hood & Penny in Minneapolis, general agents of the Ocean Accident, and at the same time studied law and was admitted to the bar. As a young man he was appointed as Ocean's general agent in Milwaukee, where he lost his wife and child there and he the scene to engage in the casualty business in the west. Mr. Morrison was called to Chicago in 1905 as manager of the casualty department of Moore, C. Lyman & Hubbard, general agents of the Standard Accident.

He was instrumental in forming the Casualty Underwriters Association in Chicago and in 1912 he formed a partnership with William T. Blew as Morrison & Blew, securing the general agency of the Massachusetts Bonding for casualty in Chicago.

Mr. Morrison in the year following the Emmett ruling on workmen's compensation acquisition cost, was active in forming the National Association of Casualty & Surety Agents and was secretary for several years.

Then he developed interest in life insurance and became general agent of Aetna Life in Chicago. He was a very successful personal producer in addition to his executive duties.

the group will ever succeed in driving the small local company out of existence. So far as the development has gone, the small company, the local company and the specialty company are from being driven from the field. This is as yet no great shrinkage in the number of independent companies, and incorporations go hopefully on.

"It may be stated at once that an apprehension is entertained that an adequate regulation and supervision is not possible.

"The examination process in case of large company does not meet all the ends served by the examination of small company. As a method of determining present condition, it is decidedly ineffective. As a method of determining whether the company's statements of condition may be safely relied upon, it still has its use. No actual results.

U. S. Method Is Awkward

"The need of securing an accurate picture of the financial status of the group as a whole, as well as by individual companies, brings into clearer light the awkwardness of the method in vogue in the United States of determining company's condition. Two matters have been confused—the determination of the actual condition of a company and the establishment of a financial standard with the result that the figures of the insurance department as to company's plus and as to gains and losses may in given case be palpably artificial.

"Assets which have an actual marketable worth are excluded; liabilities are marked up at a figure artificially high. Furthermore, the policy of restricting investments, more particularly of life companies, has enforced a one-sided financial policy which may in some circumstances become eminently disadvantageous to the community and perilous to the company."

Old Colony Is Found Solvent

Master in Chancery Reports Chicago Company's Assets Are \$1,209,166

OFFICERS ARE VINDICATED

Minority Stockholders Counter With "Mismanagement" Suit and Demand for Accounting

Vindication of the claim of President B. R. Nueske and officers that the Old Colony Life in Chicago is solvent by a large margin, given by a master in chancery this week following a long series of hearings was partially nullified by the filing of still another suit against the executives.

The latest action was taken by A. W. Rathbun of Glen Ellyn, Ill., a director and vice-president of the Old Colony, who died shortly after the petition was filed; James H. Crume of Johnson & Crume, insurance organizers of Chicago, and James H. Benjamin, manager of a manufacturing company, minority stockholders. The charge was made that President Nueske, Joseph McGauley, treasurer and Morris Van Dyke, secretary, were guilty of mismanagement, and an accounting of the company's assets was demanded.

Charge Excessive Fees

An item in the charges was the claim that attorney's fees had been extortionate and William McKinley and Paul E. Price, the company's general counsel, and Rufus M. Potts, special counsel, were named as defendants in this connection.

Old Colony officers, however, refused to be downhearted, looking upon the lengthy report of Max M. Korshak, master in chancery, as completely clearing away the rumors of insolvency. Mr. Korshak found that the company had a net surplus Dec. 31, 1928, of \$1,209,166, as contrasted with the claim of the Illinois insurance department that a deficit of about \$450,000 existed.

The master commented flatteringly on evidence submitted by the Old Colony and the character of its witnesses, saying, "The master was more impressed with the testimony of the experts who appeared on behalf of the respondent than with the testimony of the experts who appeared on behalf of the complainant. Their testimony is substantial and convincing because of their experience and their familiarity with local conditions."

Sets \$5,003,806 Assets

The master set total assets at \$5,003,806, including \$885,000 as value of 1,000 acres of Florida land containing phosphate, and \$496,000 as value of remaining Florida acreage at \$85 an acre. Liabilities were officially set at \$4,694,639.

The home office building in Chicago was valued at \$3,986,337, a great deal more than it was carried in the appraisal of the state department. So fine was the showing of solvency made on other items, the master said, that he made no attempt to set up a value for insurance in force, estimated by President Nueske and his associates to be \$700,000.

Both sides were permitted until next Wednesday to file exceptions to the findings when hearings will be held and final order of the circuit court will follow.

Old Colony officers declared that repeated efforts have been made to "muscle in" the Old Colony and obtain

(CONTINUED ON PAGE 19)

AUGUST REGISTERS 8th Consecutive Month's Gain!

Directly following the announcement of a DEFINITE SALES PLAN for 1929, which included the new Illustration Book, a dividend increase averaging 40% and a complete new line of policies for children with the new PAYOR INSURANCE FEATURE, all past production records have been shattered one by one.

The following charts show the actual percentages of gain by months on both a written and paid basis.

Written Business

JANUARY	16%
FEBRUARY	31%
MARCH	12%
APRIL	15%
MAY	37%
JUNE	10%
JULY	23%
AUGUST	19%

AVERAGE
MONTHLY GAIN 20.4%

Paid Business

JANUARY	12%
FEBRUARY	71%
MARCH	14%
APRIL	48%
MAY	27%
JUNE	61%
JULY	18%
AUGUST	51%

AVERAGE
MONTHLY GAIN 37.8%

These steady and consistent increases month after month prove conclusively that Mutual Trust is growing at an unusual pace. Such gains and such progress cannot merely be the workings of fate. THERE MUST BE A REASON. Our booklet "CHOOSING A COMPANY" will be sent to you on request.

CARL A. PETERSON, Vice-President

Mutual Trust LIFE INSURANCE COMPANY

Edwin A. Olson, President

CHICAGO

ILLINOIS

"As Faithful as

OLD FAITHFUL"



COLORADO—ILLINOIS—INDIANA—IOWA—KANSAS—KENTUCKY—MICHIGAN—MINNESOTA—MISSOURI

"INDEPENDENCE FOR DEPENDENTS"

Request details for our remunerative contracts for

AGENCY MANAGERS FOR

PENNSYLVANIA, OHIO, WEST VIRGINIA, ILLINOIS, INDIANA, COLORADO

You will benefit by our special attention now to these States

SECURITY LIFE INSURANCE COMPANY OF AMERICA

O. W. JOHNSON, President

134 North La Salle Street, Chicago

S. W. GOSS, Vice-President

OHIO—OREGON—PENNSYLVANIA—TENNESSEE—VIRGINIA—WASHINGTON—WEST VIRGINIA—NEBRASKA



George Washington Life Insurance Company CHARLESTON, WEST VIRGINIA

HARRISON B. SMITH, President

presents opportunity for liberal contracts covering definite territory with Home Office registry and with power of appointment of sub-agents.

The States of West Virginia, Virginia, Ohio, Kentucky, Tennessee, South Carolina, North Carolina, Georgia, Michigan, Oklahoma and Washington,

Address

ERNEST C. MILAIR, Vice-President and Secretary

Why LIFE INSURANCE?

Here is a splendid answer for the prospect who asks that question. Show him these figures on The Prudential's disbursements during the first six months of 1929:

To Holders of Weekly Premium Policies

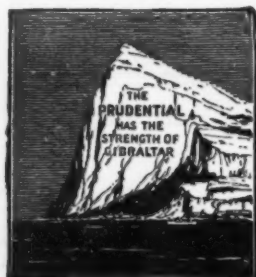
Death Claims	\$26,639,430.83
Accidental Death Benefits (In add. to Face)	1,297,330.90
Disability Payments (Loss of sight or limbs)	701,815.30
Matured Endowments	886,534.10
Mortuary Dividends (Paid at Death)	34,118.43
Paid-up Additions (These increased the amount of policies without extra cost to insured)	2,908,703.70

To Holders of Ordinary Policies

Death Claims	\$25,284,461.81
Mortuary Dividends	109,957.57
Accidental Death Benefits	911,109.83
Matured Endowments	5,633,704.50
Annuities	489,393.49
Disability Payments	1,609,398.36

These figures represent 199,289 claims for a total of more than 66 Million dollars, or about 1,454 claims for over \$485,000 EACH WORKING DAY.

Compute that record into terms of distress relieved and your question is answered.



The Prudential
Insurance Company of America

EDWARD D. DUFFIELD, President

Home Office - Newark, New Jersey

Canadians Hold Big Conference

Provincial Superintendents Gather at Toronto with Insurance Heavily Represented

SUBMIT MANY REPORTS

Interesting Papers on Vital Subjects Discussed by Supervisors in Brilliant Annual Convention

CANADIAN SUPERINTENDENTS NEW OFFICERS

President—H. G. Garrett, British Columbia.
Vice-President—B. A. Dugal.
Secretary-Treasurer—R. Leighton Foster, Ontario.

TORONTO, Sept. 19.—The annual conference of Canadian insurance superintendents was held here last week with representatives of practically all insurance interests in Canada in attendance.

After brief remarks by President A. E. Fisher, Saskatchewan, the conference spent Friday morning hearing committee reports.

R. Leighton Foster, Ontario, reported as secretary, briefly reviewing past conferences. In reviewing legislation he pointed out that every province had during the past year adopted some new measure of insurance, but that the recommendations of the convention had closely been followed. Mr. Foster also referred to joint inspections, uniform annual statement blanks, jurisdiction, unlicensed insurance and the printing of conference proceedings.

Reports Submitted

The general insurance reports were as follows: Uniform annual statement blanks, by W. K. C. Campbell, Ontario department, who reviewed progress and made recommendations as to revision of blanks; credit evil and free insurance, R. Leighton Foster, who said companies regard the situation as virtually hopeless; uniform definitions, H. G. Garrett; limitation of risk and rebating, involving consideration of reports at earlier conferences; fire insurance legislation, A. E. Fisher, advising a change in respect to windstorm and tornado coverage; automobile insurance legislation, R. Leighton Foster; licensing of insurance adjusters, H. G. Garrett; over-insurance of fire risks and accident insurance, H. G. Garrett and R. Leighton Foster.

The desirability of further revision of provincial laws respecting life insurance reserve was discussed by Dr. Frank Sanderson, consulting actuary of the Ontario department. This report did not advise any present change. Dr. Sanderson stated that though the dominion and four provinces had authorized the use of the American Men table, little disposition had been shown by the companies to use it. He also referred to the question raised by A. D. Watson, actuary of the dominion insurance department, at a meeting of the Actuarial Society of America, whether any legal standard was desirable.

Statutory conditions in life insurance contracts was discussed by H. G. Garrett and A. E. Fisher. In view of the elaborate nature of an inquiry being made in the United States into disability clauses, and the discussion to take place by the commissioners at Toronto, this report did not present any general draft of uniform disability provisions, but did recommend that certain clauses of the dominion and British Columbia acts be adopted by other provinces.

Licensing of life insurance agents was

Back to Chicago



WILLIAM R. ROTHARMEI
Made Superintendent of Agencies for Central Department of Equitable Life of New York

taken up by R. Leighton Foster. This report presented a draft bill embodying the "association plan" of licensing, which has been developed in Canada through the cooperation of a joint committee representing the Canadian Life Insurance Officers' Association, the Life Underwriters Association of Canada, and the Association of Life Agency Officers. The bill comprises about 20 pages, including forms.

Discuss Several Problems

On Friday afternoon, the fire and casualty men being set free for golf practice, life reports were discussed. G. W. Geddes, actuary of the Ontario Equitable Life & Accident, renewed his request of last year that companies be allowed to use the Illinois standard of valuations, based on actuarial tables now in use. In the case of a 20-payment policy, this would mean that the full reserve would not have to be reached until the end of the 20-year period, instead of in 10 years as at present. Mr. Geddes referred to the problem of a new company as a race between surplus and a volume sufficient to produce a profit. Regarding the American Men table, it appeared from a discussion that some companies aimed to use it.

In another report reference was made to the disability clauses. The subject had been discussed with a committee of the Canadian Life Insurance Officers' Association. On behalf of the latter, V. R. Smith of the Confederation Life, Toronto, pointed out that disability clauses in policies issued by Canadian companies were almost uniform, in effect at least, due largely to free discussions which had taken place in the Toronto Actuaries' Club.

Companies Not Agreed

The companies were not agreed as to whether anything should be done in the way of legislation. Consequently he asked that the matter be held over. Other company officials, speaking on this point, agreed that nothing should be done.

Report No. 3 brought out a general discussion. The "association plan" developed in the draft bill, has been worked in Ontario, apparently with satisfaction to all. It calls for an advisory board representing the government department, companies and agents. Some western superintendents were doubtful about the measure. A. X. Mitchell of the Canada Life, speaking for the companies, upheld it, as did also E. V. Chown and J. G. Taylor for the

(CONTINUED ON PAGE 17)

Quebec Scene of Huge Convention

Over 500 Agents Attend Penn Mutual Life's Annual Gathering

LAW DEPICTS PROGRESS

Hugh Hart and Prominent General Agents Feature Educational Program—Stress Organized Selling

QUEBEC, Sept. 19.—The Penn Mutual Life's annual convention is being held here with more than 500 present. Will O. Ferguson, Los Angeles general agent, was chairman of the Monday session. President William A. Law was the first speaker and illustrated with colored lantern slides the company's growth. Mr. Law described the various types of investment securities, and the special investment qualities each possesses.

Program a Success

Vice-President Hugh D. Hart described what the Penn Mutual field organization had accomplished since it began to use the plans introduced two years ago. He analyzed the production figures of this period, related them to costs, and declared that the results more than equaled the estimates made in the calculations of costs and results before the expansion program was launched. Mr. Hart referred to the organizing and educational work that had been initiated at the outset, had been carried on two years without interruption, and will be extended by the addition of new features already planned.

The educational portion of the program was started by Vincent Coffin, who stated the convention's theme as "organized selling."

Tells Value of Sales Talk

J. Elliott Hall, New York City general agent, answered the question, "Why Organized Selling?" He showed how the organized sales talk enables the agent to compel the prospect's mind to follow the presentation step by step until the examination and the dotted line are reached. It gives the agent control of the interview from start to finish, and it prevents the prospect from getting into the "No" attitude, which if he takes it at the start it is commonly difficult to change. And he cited cases of men who had at first worked with no success or little success, without a prepared sales talk, and who after adopting such a talk had become brilliant producers.

Ralph Engelsman Talks

The "Minimum Income" approach was the first type of sales talk to be discussed. Ralph G. Engelsman, general agent in New York City, was the last speaker at this session, and he explained, "Why the Minimum Income?" He analyzed its psychology and used the case method for illustration.

Vincent B. Coffin, director of education, presided at Tuesday's session. "Prospecting for the Minimum Income" was treated by Holgar J. Johnson, general agent at Pittsburgh. Mr. Johnson took charge of this agency about 18 months ago, and through his organizing ability and knowledge of salesmanship has greatly expanded it. He outlined the methods used by and taught to his agents, amplifying his demonstration with plans drawn from his broad experience as an instructor as well as agency manager.

Next came a motion picture depicting

(CONTINUED ON PAGE 16)

Equitable's New Superintendents



HAROLD C. NOLTING
New York Metropolitan Department



FRANK B. RUNYON
Eastern Department

Conway Discusses Stock Investment Controversy

TORONTO, Sept. 19.—Because New York has liberalized its laws covering investments to permit life and other companies to invest in certain stocks where heretofore this has been prohibited, and because this very subject of stocks vs. bonds is one of the big league issues of today in insurance, the address of Superintendent Albert Conway of New York before the National Convention of Insurance Commissioners at Toronto this week is of particular interest. It expresses the observations and views of the state official who, above all others in the United States, commands the respect of companies and agents alike because of the strong insurance regulatory power of New York.

Superintendent Conway felt that the subject of carriers' investments was of primary importance to commissioners and that it should be placed upon the convention agenda for a yearly discussion, and he so requested. In addition he suggested creation of a sub-committee to draft a model investment law. Excerpts from his paper follow:

The Resulting Problems

"I gather from my conversations with other commissioners, and from the responses to my questionnaire to company presidents, that the most important investment questions today may be traced directly to the current trend away from bond holdings and toward more profitable investments, and in their apparent order of importance, are as follows:

- Improvements to the Wales-Merriam act.
- Stocks versus bonds generally.
- Insurance company stocks.
- The quantum of individual investments.
- Collateral loans.
- Other minor questions.

"There have been very definite changes in investment policies in the last seven years. On Dec. 31, 1928, the total admitted assets of all the life, fire-marine and casualty-surety companies (to which major classes of insurance companies I find it necessary to confine myself) transacting business in New York had reached the stupendous sum of \$17,574,047,730, which was an increase of 98.6 percent over that of Dec. 31, 1921. The investments of those companies (in which I include only real estate, mort-

gage loans, collateral loans, bonds and stocks) constituted 83.5 percent of their total assets, or \$14,680,819,651.

"I yield to no one in my belief that our great financial and industrial enterprises are as sound as the country itself, and that there can be no safer investments than in equities or common shares of our great fundamental enterprises. Temporary depressions may occur, but there will always be ultimate recovery and continued advance in the stocks of the ably managed enterprises. Yet, I am not at all ready to discard the limitations which have safeguarded these tremendous funds for the past 23 years, and under the wise provisions of which our life insurance companies have developed into the greatest institutions in the world.

Adamant in Decision

"The insurance department of New York will not, during my administration as superintendent of insurance, lend its prestige to any radical change in the character of life insurance investments.

"With fire-marine and casualty-surety companies the law recognizes their different necessities by granting almost absolute freedom in the selection of investments. A minimum amount must be invested in government, state, county or municipal securities or in mortgage loans; the amount which may be invested in foreign government securities or in other insurance company stocks is restricted; but the remaining funds may be invested in the stocks, bonds or other evidences of indebtedness of any solvent American corporation.

"Some of our companies have, in the past several years, made enormous profits from this form of investment, while the more conservative companies have been less fortunate. These enormous profits have not all been delivered over to the stockholders; the greater proportion has remained with the companies as security behind the policies of insurance.

Investments Are Sound

"I am opposed to speculation by insurance companies; I believe their primary function is the conduct of insurance business. But the line of demarcation between investments is not deter-

(CONTINUED ON PAGE 16)

Equitable Life Staff Changes

Nolting Becomes New York Superintendent in Reorganization Plan

NAME FIVE NEW MANAGERS

Promotions Made in Home Office Agency Department for Directing Country

Several important changes in the agency organization of the Equitable Life of New York have been announced, a new managerial organization in the various departments being appointed as of Oct. 1. Harold C. Nolting becomes superintendent of agencies in the New York metropolitan territory. Frank B. Runyon heads the eastern department. Roy R. Hale is named superintendent for the southern department. William M. Rothaermel is now superintendent of the central department, with headquarters in Chicago and William H. Glines is manager of the western department with headquarters at San Francisco.

Nolting in New York

Harold C. Nolting, who becomes superintendent of agencies in the New York metropolitan territory, has been superintendent in the southern field for the past year. He has developed one of the largest divisions in the Equitable's organization and has made a remarkable record in the field. Mr. Nolting succeeds William G. Fitting, who is turning his attention entirely to managerial work, having jointly managed one of the New York city agencies during the past year.

Frank B. Runyon, who becomes superintendent in the eastern department with headquarters in the home office, has been superintendent of agencies in the home office department for the past year. Mr. Runyon has had long experience in agency field work and will now devote his attention to the development of the agencies in the New England and middle Atlantic territory. John T. Haviland, who has been superintendent of the eastern department in addition to managing one of the company's largest agencies, will relinquish the superintendency to devote his entire time to his agency organization.

Hale Southern Manager

Roy R. Hale, who becomes southern superintendent, has been supervisor of agencies at the home office for the past year. He has had long experience in agency work, both at the home office and in the field. He was assistant to Frank H. Davis when he was agency vice-president. Mr. Hale will continue to make his headquarters at the home office, managing the southern department from there.

William M. Rothaermel, who will manage the central department at Chicago, has been superintendent of the western department for the past year. He was formerly in the Chicago office, so that he is best acquainted with the business of the central department.

Agents Know Glines Well

William H. Glines, who succeeds Mr. Rothaermel on the coast, has been manager of the salary savings division at the home office. Mr. Glines is well known throughout the agency organization of the company for his effective work in organizing its salary savings business. He has also had extensive experience in agency and managerial work.

The Pyramid Life Insurance Company of Missouri

Offers the Old Fashioned
General Agents contract
which made the old time
general agents rich.

Agency openings in Mis-
souri, Texas, Kansas,
Arkansas, Oklahoma,
Iowa and Illinois.

PYRAMID
LIFE INSURANCE
COMPANY

John G. Hoyt, President
Security Building
Kansas City, Missouri

Over 700 Agents at Swampscott

Massachusetts Mutual Life Field
Men Gather for Annual
Meeting

SARGEANT GIVES FIGURES

Prepared Sales Plans Described—Pro-
fessors Borden and Busse Tell
Results of Investigation

SWAMPSCOTT, Sept. 19.—More than 700 gathered at Swampscott, Mass., this week for the annual convention of the agents association of the Massachusetts Mutual Life.

With facts and figures which frequently brought out applause, President William H. Sargeant showed that the company had done its full share in helping create the \$100,000,000 of life insurance business now in force. He declared the life insurance business is on a more stable basis than ever before and has gained the confidence of the financial world.

Should Consider Requirements

Robert F. Wright of Syracuse declared a full time underwriter, to merit such classification, should consider as minimum requirements of performance, appreciation of the fact that his calling is a worthy and dignified one, commanding respect, and he should believe from the bottom of his heart that he is doing a great and useful work. He should give all his time to the business and gain the confidence of his community to the extent that he stands as an authority on life insurance matters.

Questionnaire Used

Prepared sales plans were described by W. Scott Smith of St. Louis, Lawrence E. Simon of New York and B. Z. Nelson of Boston. Mr. Smith described a questionnaire upon which he relies to secure accurate and complete information about all his prospects. It permits him to fully take care of a list of calls for each day. He carries a small card with data about each prospect and uses the card to keep his mind on the end in view. He starts out at 9 o'clock each morning. He usually aims at getting the confidence of his prospect to the extent of securing his policies in order to make an audit of his complete needs. If the man does not have that much confidence in him he prefers to try some other prospect. Hard work, plus common sense is the secret of his success, he said.

Mr. Nelson confines his field to young men between 30 and 40, as he feels that his appeal is greatest among such. He cultivates office help and telephone girls to get their approval and support and they give him great assistance and many leads. He makes 10 calls a day and four interviews, at least. By making previous investigations he makes sure he has something to tell a prospect when he sees him. He seeks to get policyholders and then give them the service which will give returns in new prospects and standing. He doesn't use audits until he has made his man a policyholder, as many of his cases are first policies.

University Professors Talk

Profs. Richard C. Borden and Alvin C. Busse of New York University, who for 10 years have been making an intensive and scientific study of types of salesmanship, summarized their findings with practical illustrations.

Summarized, their advice to salesmen

was to talk little; not to interrupt; not to be belligerent but to allow the customer to show his objections; inquire rather than attack; repeat a man's principal objection that he may realize it is fully understood and to prevent its being changed later; and finally to get a key issue and stick to it.

Huebner Gives Talk

Dr. S. S. Huebner was the single speaker at the second day's session. He talked on "Guaranteeing the Fulfillment of Life's Plans Through Life Insurance." He described life insurance as time insurance.

The annual dinner Monday evening was presided over by Vice-President E. J. Perry. The speaker was Thomas G. Wade of the Curtis Publishing Company who appealed to the underwriters to have high ideals and aspirations.

The feature of the evening was the presentation of 25 year service pins to home office and field men who have served that long with the company. The home office men so honored were A. D. Shaw, financial secretary; A. E. Shaw, assistant secretary; J. T. Wells, assistant secretary; L. L. Wilson, cashier; A. E. Sutra, manager calculations division; L. W. Wood, manager mathematics division, and D. J. Kimpton. The field men were F. A. Lichtenberg, general agent at Columbus, O.; C. S. Cummings, Portland, Me.; J. B. Field, Battle Creek, Mich.; Dr. F. S. Machem, Washington, D. C.; Alexander Robertson New York City; W. L. Royall, Hartford, Conn.; H. H. Schacht, Boston; C. A. Trost, Cincinnati, and J. W. Wulf, Cleveland, O.

New Officers Elected

An elaborate sports saturnalia, with gaily decorated hobby horses, costumes and band instruments, was held Monday afternoon. The men's golf tournament attracted the men to the Tedesco course Tuesday afternoon. James M. Blake of Philadelphia, president of the association, is being credited with having conducted one of the most interesting and lively conventions of the sort in recent years, his original theme song and luncheon announcement in verse Monday making a big hit.

Officers elected are: President, F. L. Lantz, Wilkes-Barre; vice-presidents, John W. Yates, Detroit, and Laurence R. Simon, New York; secretary-treasurer, J. Putman Stevens, Portland.

President Dorff Writes Legal Life's First Risk

The Legal Life of Topeka, Kan., commenced operations with W. G. Dorff, a veteran life insurance man of some 30 years experience, as president. It is a legal reserve company incorporated under Kansas laws and has received its license in that state.

Mr. Dorff personally sold the first 100 policies to Topeka citizens in 100 different lines of business. For the time being the policies will be sold in Topeka territory only. The new company president was complimented highly for obtaining his first 100 policyholders in scattered lines of endeavor, as new companies generally sell their first policies to persons known to founders. The founders of the Legal Life are scattered in 100 towns in Topeka territory.

In addition to President Dorff, the officers are: Vice-president and medical director, Dr. J. E. McManis, Haverhill; vice-president and treasurer, Dr. W. P. Wilcox; assistant secretary, Lorraine Wingert, Topeka. F. P. McCullough, Rossville, and Dr. H. H. Harlow, Topeka, are listed among the officers, although their titles have not yet been announced.

Mr. Dorff was with the Occidental Life in the agency department from 1910 to 1924, operating in 10 states west of the Mississippi river, and at the end of this connection had more than 100 men in this field under his direct supervision. He moved to Topeka five years ago.

Judge Elliott Formally Elected General Counsel

LEADERS GATHER IN TORONTO

American Life Convention Committees
Are Shaping Up the Work of
the Organization

TORONTO, Sept. 19.—The executive committee of the American Life Convention met here this week and formally elected Judge Byron K. Elliott of Indianapolis as manager and general counsel. Judge Elliott was present and met the men attending the insurance commissioners' gathering. He left a most favorable impression. The committee discussed plans for employing a secretary to look after the office and general details. Claris Adams, who retires from the organization to become executive vice-president of the American Life of Detroit has already moved his family to that city in order that his daughters might enter school at the opening of the term. The committee-men present were C. L. Ayres, American Life; O. J. Arnold, Northwestern National; C. W. Gold, Jefferson Standard; H. M. Woollen, American Central; J. M. Laird, Connecticut General, and C. B. Robbins, Cedar Rapids Life. L. J. Dougherty, Guaranty Life; H. B. Arnold, Midland Mutual, and George Graham, Central States Life, former convention presidents, sat in with the committee.

The convention committee on the disability clause, of which Mr. Laird is chairman, also had a meeting to prepare its report for the Cincinnati convention. The committee on federal tax, of which F. W. McAllister of the Kansas City Life is chairman, held a meeting here. Mr. Adams, who is here at the meeting, arranged for all the conferences.

Coler Secretary-Actuary of American Life Convention

Wendell Phillips Coler, who is connected with the home office of the Maccabees, has been chosen secretary and actuary of the American Life Convention, thus forming the team with Judge Byron K. Elliott as manager and general counsel. The executive committee met in Toronto this week and made the selection.

Mr. Coler was born at Athens, O., June 24, 1891. He attended the schools of Ann Arbor and graduated from the University of Michigan with an A.B. degree in 1913 after completing the course in actuarial science. He was actuary of the National Union Assurance of Toledo 1913-1918. He served as assistant actuary of the bureau of war risk insurance at Washington during the time when the rate book and the policy forms for the permanent government insurance now being issued were prepared. He has been actuary of the Maccabees in Detroit since 1920, during which time the business of this fraternal was re-rated so that instead of a valuation deficit of over \$37,000,000 in 1920 it now shows a large surplus on the American experience 3½ percent basis. He is a fellow of the American Institute of Actuaries.

Mr. Coler arrived in Toronto Wednesday to meet the executive committee and officers of the American Life Convention. Judge Elliott and Mr. Coler thus both had an opportunity to come in contact with the governing body.

Confederation Joins A. L. C.

The Confederation Life of Toronto has joined the American Life Convention.

Equitable of New York Holds Large Convention

FIELD LEADERS AT TORONTO

Agency Men Gathered in Big Numbers
to Meet With the Home Office
People

TORONTO, Sept. 19.—The Equitable Life of New York agency leaders outnumbered the insurance commissioners gathering here and put the big, new Royal York to the test in accommodating both conventions. The eastern division first met here. Then 800 agents from the New York City metropolitan district closed their sessions Saturday. The central west people of equal numerical strength came this week. The home office was represented by Agency Vice-President Frank L. Jones, Vice-President W. J. Graham, Second Vice-President W. W. Klingman, Secretary William Alexander, Second Vice-President A. G. Borden, Assistant Secretaries Albert McNeill and Arthur H. Reddall, Auditor Walter H. Jones, Actuary Robert Henderson, Treasurer M. C. Laffey and Agency Superintendents F. B. Runyan, W. R. Rothaermel and Roy R. Hale.

Next week similar gatherings will be held at Washington, D. C., and Del Monte, Cal.

Agency Supervision Divided

W. G. Fitting, who has been agency superintendent as well as manager of one of the New York City metropolitan offices, but who now will give all his attention to the latter work, attended the sessions here.

Mr. Rothaermel, who has been in charge of the Pacific Coast, will be stationed at Chicago to be in charge of the central west. W. R. Glines, who has been head of the salary savings department at the home office, goes to the Pacific coast as agency superintendent. Mr. Runyan has charge of the eastern and middle division. Mr. Hale will look after the south and Mr. Nolting metropolitan New York.

Old American Sold

Consolidation of the Old American of Little Rock, Ark., and the Springfield Life of Springfield, Mo., is announced by Loyd W. Judd, president of the Old American. Mr. Judd will sell his entire interest in the Little Rock company to the Springfield company. No announcement was forthcoming as to the headquarters of the consolidated companies, but it probably will be in Springfield.

The Old American was the result of the consolidation by Mr. Judd of several other companies. They included the Home Mutual Life of Little Rock, Farmers Mutual Benefit of Fayetteville, Cape Girardeau Life, Cape Girardeau, Mo.; Commonwealth Life of Little Rock and People's Life of Little Rock. The Old American was entered in Missouri and Oklahoma as well as Arkansas.

New Companies Join Research Bureau

Three new member companies have joined the Life Insurance Sales Research Bureau, which brings the number of member and associate member companies up to 131.

These companies are the Inter-Southern Life and Commonwealth Life, both of Louisville, and the Asia Life, Shanghai, China.

Sets New August Record

The Mutual Benefit Life's paid-for business in August, \$17,785,326, exceeded by more than \$1,000,000 any previous August in the history of the company. The paid-for business in July, \$20,626,478, as already announced, was also more than \$1,000,000 larger than any previous July production.

Opportunity Beckons!

*Men of ability and character,
who are willing to give all
they have to the organization
and development of territory
in the service of the*

SPRINGFIELD LIFE

who are ambitious to enlarge their personal income tremendously, are invited to get into touch with the home office, at Springfield, Ill., at once.

All Standard Policies written, with or without Permanent Disability, Premium Waiver and Double Indemnity.

\$1.00 A MONTH

Buys regular Old Line Ordinary Life Insurance for children, age six months up, and the same life insurance proposition is available to adults—age one day to 60 years.

Big Money for the Go-Getter

Send your inquiry directly and now, to
A. L. HEREFORD, President

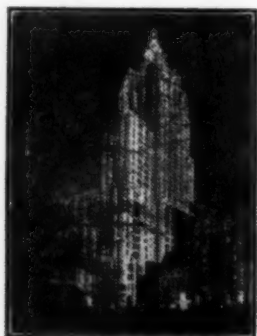
**SPRINGFIELD LIFE
INSURANCE COMPANY**

**SPRINGFIELD,
ILLINOIS**

New York Life Directors

The success of any Company is primarily a matter of management—that is, of MEN. Following is a list of Directors, New York Life Insurance Company, the most recently elected being Calvin Coolidge:

LAWRENCE F. ABBOTT.....	Director	Valentine & Co.
JOHN E. ANDRUS	Manufacturer	
NATHANIEL F. AYER.....	Textiles	
CORNELIUS N. BLISS.....	Commission Dry Goods	
MORTIMER N. BUCKNER {	Chairman of Board, New York Trust Co.	
THOMAS A. BUCKNER.....	Vice-President	
NICHOLAS MURRAY BUTLER {	Pres't Columbia University	
CALVIN COOLIDGE {	Former President of the United States	
GEORGE B. CORTELYOU..	Pres't Consolidated Gas Co.	
WALTER W. HEAD.....	Pres't State Bank of Chicago	
CHARLES D. HILLES.....	Insurance Manager	
ALBA B. JOHNSON.....	Retired, Philadelphia, Pa.	
PERCY H. JOHNSTON	Pres't Chemical Bank & Trust Co.	
WILLARD V. KING {	Chairman Advisory Board, Irving Trust Co.	
DARWIN P. KINGSLEY.....	President	
RICHARD I. MANNING.....	Farmer, Columbia, So. Carolina	
JOHN G. MILBURN.....	Lawyer	
GERRISH H. MILLIKEN.....	Deering, Milliken & Co.	
FRANK PRESBREY.....	Frank Presbrey Co., Advertising	
JOHN J. PULLEYN.....	Pres't Emigrant Ind. Savings Bank	
FLEMING H. REVELL {	Fleming H. Revell Co., Publishers	
GEORGE M. REYNOLDS {	Chairman of Executive Committee, Continental Illinois Bank & Trust Co., Chicago	
HIRAM R. STEELE.....	Steele, DeFries & Steele, Lawyers	
JESSE ISIDORE STRAUS.....	Pres't R. H. Macy & Co., Inc.	
RIDLEY WATTS.....	Ridley Watts & Co., Dry Goods Commission	



NEW YORK LIFE INSURANCE COMPANY

MADISON SQUARE, NEW YORK, N. Y.

DARWIN P. KINGSLEY. . . . President

Mutual Trust Life Agents Gather at Ocean City

CARL A. PETERSON PRESIDES

President Olson Tells of Growth—
Omaha General Agent Speaks
On Will Power

The Old Faithful club of the Mutual Trust Life met at Ocean City, N. J., for its annual convention. Vice-President Carl A. Peterson gave the address of welcome and officially recognized the officers of the Old Faithful Club. A. E. Thompson of Chicago is president; Myer Greenberg of Hartford, Conn., vice-president; Oliver R. Aspegren of Chicago, treasurer.

Dr. S. S. Huebner of the University of Pennsylvania told of the important relationship between property values and life values. He predicted that the time is close at hand when life insurance will figuratively be sold over the counter.

Depends Upon Agent

Vice-President Peterson said that when it comes to a final analysis, it depends entirely upon the agent as to whether he has made himself a highly respected member of the community in which he lives; whether or not he has made the business which he represents a highly respected one in the minds of the people with whom he comes in contact. "If he has conducted himself and his business in a manner that demands the admiration and respect of his friends, chances are that he has their admiration and respect. If he has been careless in his personal dealings, if he has been careless in company affairs, the chances are that the people have sized him up pretty accurately and so when it comes right down to brass tacks, it isn't alone the business we are in that reputation depends upon, it is ourselves—our actions we have to look out for."

Use of Time Is Problem

"One of the greatest problems that men and women in life insurance have to worry about," said Mr. Peterson, "is how to use their time. Time is the principal asset of everyone in the life insurance business. This angle has been talked about, preached about and still a solution has not been found. If we can find no other way of employing our time, we can make mighty good use of it in studying some of the great trends that are now under way in the life insurance business of the nation that will affect your future and mine, very vitally."

John D. Goggin of Hartford discussed the App-a-Week club. "Selling Children's Insurance" was discussed by William A. Smith of Lewiston, Me. He pointed out the unusual opportunity offered in writing juvenile business. "The Woman's Viewpoint" was discussed by Mrs. William F. Larsen, wife of the Springfield, Mass., general agent. Mrs. Larsen believes that the selling of life insurance is a partnership affair where success and sympathy are shared more directly and understandingly when the wife understands her husband's problems. Harry A. Kneeshaw of Minot, N. D., spoke on "Our Company—Our Job."

Will Power Greatest Asset

M. F. Mulvaney, general agent at Omaha, spoke on "Where There's a Will, There's a Way." He said that will power is the greatest single asset in the life insurance business. "It matters not how many theories pertaining to the business one may study," he said, "or how many formulas a man may write on the subject of achievement in this business, he cannot be a real success unless and until he develops within himself that power which will provide the proper dynamic in his daily work. A man may possess

Addresses Agents



EDWIN A. OLSON
President, Mutual Trust Life

every apparent potentiality for success as a life insurance man but if he is lacking in that inner power to control his daily actions, he may be a total loss, for the power to control our wills is that force which regulates our daily actions and ultimately determines our destinies."

President Edwin A. Olson discussed the relationship between the home office medical department and the field organization. He pointed out that the day had arrived when the agent must feel it a part of his job to assist the home office in properly selecting risks and furnishing those who pass upon the risks with information complete in every detail.

Olson Tells of Growth

At the annual banquet President Thompson of the Old Faithful club spoke. Vice-President Peterson acted as toastmaster. President Olson told of the growth of the company. At the end of the year he said the Mutual Trust will have \$165,000,000 of insurance in force. He also said it has increased its assets from \$5,000,000 in 1919 to \$25,000,000 in 1929.

The entertainment was in charge of Douglas E. Thompson, executive assistant.

New Standard Life Officers

Maj. George L. Donald has been named vice-president of the new Standard Life of Jackson, Miss., and J. T. Thomas, chairman of the board. Major Donald is president of the Deposit Guarantee Bank of Jackson and Mr. Thomas is president of several banks scattered through Mississippi. Other officers of the Standard are: President J. B. Sterling, Secretary-Treasurer M. S. Phnochs, General Counsel Niles Moseley and General Manager Meigs Harmon.

T. A. Kercheval

T. A. Kercheval is the new supervisor of agencies of the southern states for the Detroit Life, now a unit of the Insurance Securities Company of New Orleans. Previously Mr. Kercheval was with the New York Life in New Orleans and he has had a number of years experience in the south. He also formerly was associated with the Pan-American Life. The Detroit Life plans to extend its field of operations throughout the United States, now being licensed in Michigan, Louisiana and Mississippi.

"Wills," by Gilbert T. Stephenson, is a non-technical book written in popular style. Price, \$3. Order from The National Underwriter.

Connecticut Mutual Life Agents Hold Gathering

MEET ON BIGWIN ISLAND

President Loomis Presents Awards —
Many Discussions by Home Office
Men and Agents

In an important schedule of intensely practical sales demonstrations, formal talks and informal discussions, over 400 qualified agents and guests of the Connecticut Mutual Life met at Bigwin Inn, Bigwin Island, Ont.

"The A B C of Sales Results" was the theme of the convention and the various points in a new program of sales development were outlined, explained and discussed.

H. M. Holderness, agency secretary and superintendent of agencies, presided at all sessions. On the first day, President James Lee Loomis opened the meeting with words of welcome to all present. The purpose of the convention was discussed by Mr. Holderness, after which T. C. Rice-Wray of Chicago spoke on "The Personality of the Salesman." Thomas M. Stokes, educational director, outlined the three major factors that make for sales success. E. Chester Sparver, supervisor of publications, talked on building up the size of the average sale.

President Awards Trophies

On the evening of the first day the president's dinner was held. Drs. Borden and Busse, New York University professors, talked on the "Six Principles of Salesmanship." President Loomis awarded service medallions for field representatives who have served the Connecticut Mutual for long periods of years. Edson N. Coleman and Theodore C. Stein of Davenport, and Nelson C. Taintor, Hartford, were given 20-year medals and Walter S. Buck of Scranton one for 25 years.

Mr. Loomis also announced the winners of the various cups offered for conspicuous achievement. Gustav G. Gottlieb of the Fraser Agency, New York, won the cup for the largest amount of paid first premiums; William C. Shoullice, Springfield, the cup for the largest number of lives. Louis H. Markowitz, Fraser Agency, New York, for the largest percentage of renewed 1927-8 business; and Louis Frattini of Springfield and Louis May, Fraser Agency, New York, for the largest number of lives credited to a first-year and a second-year club member respectively.

Stokes Discusses Prospecting

"Prospecting," by Thomas M. Stokes, opened the second day's session. This was followed by T. C. Rice-Wray on what "Standardized Selling" is, what it does, and what it can do. "Planning the Day's Work," by E. C. Sparver, emphasized the importance of preparation and the important part a plan and schedule plays in the success of an agent.

L. D. Fowler, general agent at Fort Wayne, talked on "Old Age Incomes and Investment Trust Bonds," followed by a discussion of "Wife's Income" by J. L. Moss, general agent for Kentucky. Stratford Lee Morton, general agent at St. Louis, then spoke on "Business Insurance."

The third day opened with an illustrated talk on "Standards of Performance" by Educational Director Stokes.

Fred O. Lyter, assistant superintendent of agencies, spoke on "The Company and the Business."

T. C. Rice-Wray followed, speaking on "Developing Skill in Selling." "Closing" was then analyzed by E. Chester Sparver. "Program Selling" by General Agent William D. Love of Richmond, Va., followed next, and after that "Estate Selling" by V. W. Kenney, general agent at Boston.

Peter M. Fraser, New York, general

Fidelity Mutual Leaders Gather at Atlantic City

PRESIDENT TALBOT SPEAKS

Predictions Made on Future Growth of
Life Insurance — Urges Financial
Statement Appeal

The Fidelity Mutual Life's "Leaders Club" met at Atlantic City last week. The convention was formally opened by Frank H. Sykes, vice-president and manager of agencies. President Walter Le Mar Talbot then delivered a word of greeting. The installation of officers of the club was conducted by John Dennis Mahoney.

Clayton M. Hunsicker was installed as president; Karl Collings, Philadelphia, as vice-president; J. H. Brennan, Chicago, second vice-president; F. L. Bettger, Philadelphia, secretary, and Elmer Baase, Buffalo, treasurer.

Mershon Makes Predictions

L. A. Mershon, former secretary of the trust company division of the American Bankers Association, talking on "Balancing an Estate," spoke and predicted that \$22,000,000,000 of life insurance in force will be added next year and predicted a total of \$300,000,000,000 in force during his lifetime.

L. B. Hendershot of the field service department of the Life Insurance Sales Research Bureau, speaking on prospecting, stated that he had listed 42 needs for insurance. He said that the agent's main problem was to convert suspects to prospects, to customers, to policyholders. An ample supply of prospects, he added, is the foundation of success. Methods of contracting must be sought and a reservoir built and kept filled by daily activity along directed lines.

Awards for Sales Talks

Other speakers were R. F. Tull, secretary, who gave a technical exposition of the new business department problems; Thomas F. Guthrie of Minneapolis; L. A. Cerf, Jr., of New York; R. L. Taylor of Memphis, whose graphically illustrated talk gave the component elements of service necessary for reward in underwriting; L. S. Wilson of Easton, and G. H. Wilson, vice-president and general counsel, who gave a technical structure of simple business insurance agreements.

Awards for standardized sales talks went to Charles F. Taylor, Philadelphia, on income to beneficiary; Elmer Baase, Buffalo, on low rate life policy, and E. C. Stetson, Portland, Ore., on income for life.

O. K. Empire-Commonwealth Merger

Shareholders of both the Empire Life of Canada and the Commonwealth Life & Accident have approved of the merger of the companies, and only the formal assent of the government is now required.

New Assessment Company Licensed

The Home State Savings Life of Springfield, Ill., an assessment company, has been licensed by the Illinois department. J. T. Mayall is president and D. Sharpe secretary.

agent, gave some parting words at the close of the sessions.

The Connecticut Mutual's new business paid for during the first eight months of 1929 amounted to \$93,551,333, an increase of \$9,648,447 over the similar period of last year, representing a gain of 11.5 per cent. As of Sept. 1, insurance in force stood at \$874,879,434.

Educational conferences next fall will be held at Portsmouth, N. H., Lake Geneva, Wis., and Estes Park, Colo.

NEW EQUIPMENT . . .

Seven new policy forms . . . The Triple Guaranteed Option policy on which the insured may pay a level premium and have a 25 Year Endowment or a paid-up Life policy in a shorter period, or may pay a reducing premium and have a 25 Payment Life policy . . . The Guaranteed Income Bond, a contract without death benefit paying a life income to begin at ages 55, 60, or 65, and payable for ten years certain . . . The Single Premium Whole Life with Guaranteed Annuity Income and the Single Premium 20 Year Endowment with Guaranteed Annuity Income, lump sum investments with cash value always at par guaranteeing 3½ per cent annual income, with dividends bringing the average to 4¼ to 5¼ per cent . . . A participating Child's 20 Payment Life policy, rounding out the Company's juvenile line, and liberalized participating Child's 20 Year Endowment and Child's Educational Endowment policies.

Simplified "proof of death blanks" with a sales appeal—something new!

A booklet of true unsolicited letters from appreciative claimants under death and disability benefits.

Complete sales data on the Endowment at Age 85 policy bound in convenient vest pocket size.

A new Baby Health Service a step ahead of anything of its kind.

All this, new equipment furnished NWNL Fieldmen at three Regional Conventions held in August. Backed by this array of powerful selling helps, the Agency Organization is again scattered throughout 31 states intent on utilizing its new tools.

NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

O. J. ARNOLD, PRESIDENT

STRONG ~ Minneapolis, Minn. ~ LIBERAL

IOWA

General Agency opportunities open in Iowa for high grade personal producers who want to build and own an agency with a participating company writing all standard forms, plus Juvenile and a \$5,000 Special.

Tell us the story in your first letter. It will be held in confidence.

Address: Agency Department

THE MIDLAND MUTUAL LIFE INS. Co.

Established 1906

COLUMBUS, OHIO

Assets over \$17,500,000 In force over \$105,000,000

"Its Performances Exceed Its Promises"

West Coast Life Agents Hold Del Monte Meeting

PHILIPPINES MAN VISITOR

Complete Lines of Juvenile Policies
Announced at Triennial Convention
of Company's Club

The West Coast Life held its triennial convention Monday, Tuesday and Wednesday of this week at Del Monte, Cal., 125 attending. The company holds a convention of the two production clubs—the \$250,000 club, and \$125,000 club.

V. H. Peck, agency director, southern department, earned the presidency of the club conventions with the largest personal production. Home office officials in attendance were President Victor Etienne, Jr., F. V. Keesling, vice-president and counsel; Gordon Thomson, vice-president and manager of agencies, Medical Director Dr. Austin, Secretary Carlos C. Warner, Agency Secretary George Limback, Otto Langpaap and J. W. Stewart, superintendents of agencies; H. J. Stewart, assistant superintendent, State Manager "Jack" Robinson, H. Rose, field service manager, central department; F. G. East, manager, direct mail department, and E. B. Ranshousen, superintendent group department.

Gather at Home Office

Delegates gathered at the home office in San Francisco Monday and following a formal luncheon, at which President Etienne welcomed the gathering, then the party journeyed to Del Monte and opened business session in the evening with an illustrated lecture dramatizing an agent's future in the business and prospecting methods. Vice-President Gordon Thomson presided. Fifteen agents were awarded prizes for consecutive weekly production and best renewal experience. Presentation of club emblems was made by Agency Secretary Limback. An important announcement was that the company is ready to present a complete series of juvenile policies.

Otto Langpaap spoke on the agent's relationship to his business. J. W. Stewart criticized the agent who does not produce enough business each year to induce the business to be proud of him.

Visitor From Philippines

A real treat was an address by M. C. Grey, supervisor of the Philippine branch, his first visit to the United States, although he has served the company for 19 years.

Vice-President Keesling presided at the banquet, the speaker being W. H. Sinclair, trust department of the Bank of America, on "Business Insurance and Life Insurance Trusts."

Equitable Life of Iowa Shows Good August Gain

The Equitable Life of Iowa with a paid-for production in August of \$7,054,771 shows a gain of 9.8 percent over the same period of 1928. The company is experiencing a good percentage of its new business from policyholders of the company. For the first eight months of 1929, 40.2 percent of the paid-for business has been secured from policyholders. In August, 38.5 percent was accounted for from this source.

First honors for the month were secured by the Rice agency of Harrisburg, Pa., with \$584,085 in paid-for production. This is the fourth month this year that the Rice agency has taken first place. This gives it leadership for the year to date again, after being excelled for two months by New York City. Other leading agencies for August were Pittsburgh, \$389,206; Des Moines, \$349,288; Kansas City, \$328,350, and Los Angeles, \$280,000.

Life Group of Advertising Conference Topics Given



LORRY A. JACOBS
Southland Life

The life group of the Insurance Advertising Conference when it meets in Cleveland Oct. 6-9 will be in charge of Lorry A. Jacobs of the Southland Life and Alvin T. Haley of the Jefferson Standard Life.

The Tuesday session in charge of Henry H. Putnam of the John Hancock Mutual Life will be of an executive nature. Ten topics are programmed for the Monday session, as follows:

1. General publication advertising, (a) Newspaper, Luther B. Little, Metropolitan Life; (b) magazine, C. T. Stevens, Phoenix Mutual, and Nelson White, Provident Mutual.
2. Direct mail, (a) promotion, B. N. Mills, Bankers Life, and L. J. Evans, Register Life; (b) conservation, Price Johnson, Cravens, Dargan & Co.
3. Trade journals, J. P. Licklider, Missouri State, and E. P. Hermann, Lincoln National.
4. Radio, C. W. Van Beynum, Travelers, and Henry Camp Harris, National Security.
5. Novelty, Emil C. Rassmann, American Central, and Alvin T. Haley, Jefferson Standard.
6. Billboard, Clifford Elvins, Imperial Life.
7. Street car, C. S. Smith, National Life & Accident.
8. Pamphlets for canvassing, etc., G. L. Grogan, Bank Savings Life, and Robert G. Richards, Atlantic Life.
9. Screen advertising, Rex B. Magee, Lamar Life.
10. National cooperative advertising, E. C. Sparver, Connecticut Mutual.
11. The life group development plan, Henry H. Putnam, John Hancock Mutual.

Wuerth on Advisory Council

Gustav Wuerth, associate general agent of the Penn Mutual Life and last year's president of the New York Association of Life Underwriters, was elected a member of the advisory council of the Equitable Trust Company of New York at its meeting last week. This session was also the first attended by John A. Stevenson, general agent of the Penn Mutual and former vice-president of the Equitable Life of New York.

"Rough Notes" Offer Renewed

Rough Notes Publishing Company has again offered prizes for the best insurance trade paper advertising campaign submitted at the annual convention of the Insurance Advertising Conference—this year being held in Cleveland, Oct. 6-9. All members of the conference are eligible to compete, and many have signified their intention of entering.

Stevenson Presents Success Formula at Quebec Meeting

PRESIDENT W. A. LAW SPEAKS

Program Divided Into Planning, Interviewing and Study—Contacts Essential to Life Underwriter

QUEBEC, Sept. 19.—John A. Stevenson, New York general agent and manager of the home office agency in Philadelphia of the Penn Mutual Life, spoke to the agents of his company in convention here on "The Successful Pennmutualist." He told of the value of the modern training courses for life underwriters and the new selling methods, which place emphasis on the buyer's rather than the seller's point of view.

Contacts make for success in life insurance and the underwriter can only get in touch with people who need insurance and buy it by identifying himself with organizations and activities where he will meet them. He cautioned the agents against talking too much. It takes more time to prepare a presentation if it is given briefly but it is worth it.

"Today the salesman who gets his application by high-powered methods, riding rough-shod over the prospect's objections," Mr. Stevenson said, "is losing out in the race with the salesman who is chiefly interested in studying out the prospect's financial needs and how he can best meet these needs."

Presents Success Program

Mr. Stevenson presented a success program. "There are many cases," he said, "where the work must necessarily vary from this schedule. But the underwriter who gives this program a fair test and doesn't make a success of life insurance selling, in my opinion, should consider some other line of work."

Ten commandments which a successful agent should observe were given by Mr. Stevenson, the first three deal with planning, the next four with interview and the remaining three with study. They are:

"1. I will take one hour in the evening to plan my work for the following day."

"2. I will make a list of ten prospect each day, including three new names and two policyholders (assuming you have been in the business two or three years)."

"3. I will arrange my calls according to a definite schedule for the conservation of time."

Eight Calls a Day

"4. I will begin interviewing each day not later than 9 a. m."

"5. I will devote at least six hours a day to interviewing, preferably from 9-12 a. m. and 1:30-4:30 p. m."

"6. I will average at least eight calls a day."

"7. I will keep an accurate record showing number of calls, number of interviews obtained and the results of each interview."

"8. I will devote one hour a day outside of soliciting hours to study in order to keep my insurance knowledge up-to-date."

"9. I will read at least one good insurance periodical each week."

"10. I will devote the remaining time to studying unfamiliar insurance contracts, new sales plans, and the more complex forms of insurance."

"I don't assume anyone will devote one hour every evening of every week to study, for example, or that he will make eight calls every day of every week, but I do think that everyone should devote at least six hours a week to study and should average at least 45 calls a week. What a definite schedule of this

Procrastination Lesson in First Year Claims

Rather striking evidence of the surprises in life which life insurance can protect is given in a summary by the Equitable Life of New York of its death claim payments during the first seven months of this year. The company reports that it had 312 first year death claims. Of these 22 were paid on policies in force less than one month, 24 on policies in force from one to two months, 28 on policies from two to three months and like gradations throughout the course of the 12-months year. During these same months the company turned down 11,250 applications for \$96,000,000 of life insurance. These prospects were all undoubtedly people who had some time or other been solicited for life insurance, but had rejected the offer. These figures in the case of the individual company are a lesson in procrastination as to the value of life insurance and when considered in the aggregate of all companies' experience they furnish a very strong case for the agent.

kind gives you is a method of checking on yourself.

Lack of Schedule Hazardous

"The reason there is such a high mortality among college freshmen and the reason a great many students fail or make mediocre records in college when their preparatory school records have been excellent is that there are no definite periods set for preparation and study. As a result, work piles up until, at the end of the semester, they are snowed under. The same situation exists, I think, in life underwriting. Life insurance salesmen fail or are only fairly successful because, being in business for themselves, they don't have definite working hours with definite work to do during these hours. Consequently, their records are far below the records they have the ability and capacity to make."

President Law Talks

President William A. Law said that this age of big business and prosperity holds great opportunities for life insurance. Need of protection arises as greater incomes are produced. President Law said that fashions in securities are constantly changing. He said the laws of the various states prescribed safeguards about life insurance investment which are contemplated for the operation of many small companies which necessarily cannot be equipped with elaborate research departments that are essential to successful investment equities. It is not reasonable nor logical for a policyholder to expect the management of his life insurance company to do speculating for him, President Law said. "If he wants to speculate it is not our affair. So let him buy his own equities, or, if he prefers, buy shares in the thousand and one investment trust companies which are today being organized and operated on a steadily increasing scale."

Life Notes

The Guarantee Reserve Life of Topeka has been admitted to Colorado. The insurance in force of the Lincoln National Life on Aug. 31 was \$718,319,010.

W. J. Fanning, 58, vice-president of the Fagan-Fanning-Newell Company, Racine, Wis., local agency, who for a number of years was superintendent for the Metropolitan Life there, died at his home following an extended illness.

Life Companies and Trust Organizations

If we examine the scope of the services performed by life insurance companies and trust organizations—including in the latter term trust sections of commercial banks—we shall find a broad field of co-operation.

While the general character of each is fiduciary, the two instrumentalities are not natural competitors. They are more nearly like allies although their activities are distinctive.

Each suggests, initiates, activity for the other. Each furnishes service for which the other is not equipped; one the insurance of the productive value, accumulated and prospective, of human life; the other the administration of trusteeships, of which many proceed from life insurance.

There is no doubt that the two can supplement as well as complement each other, and it is noteworthy that the banks and trust companies have realized this fact and applied it in a practical way. On the other hand, it is evident to me that a corresponding interest in the promotion of the welfare of the banking and trust companies is now a part of the program of every wide-awake life insurance man.

WALTON L. CROCKER, *President*

John Hancock
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

Just After Its Year of Greatest Progress

—this Company is establishing new records of production month by month. Splendid opportunities in nine Pacific Coast and Rocky Mountain States for industrious men with good records. Direct Home Office contracts that give you all you earn.

CALIFORNIA STATE LIFE INSURANCE COMPANY

J. ROY KRUSE, *President*

JAMES H. COLLINS, *Supt. of Agencies*

Home Office: Sacramento



Convertible to 65 Contract

New contract provides low cost, long time insurance, convertible at any time up to age 65 to any form of life or endowment insurance. Upon conversion a guaranteed annual cash credit reduces the cost of the new contract.

Makes ample insurance possible during the productive years and conversion practicable as one's income increases.

Full information, including rates, upon request.

**Connecticut General
Life Insurance Company**
Hartford, Conn.

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Insurance Stock Department

115 W. Adams St.
CHICAGO

42 Cedar Street
NEW YORK

Quebec Scene of Huge Convention

(CONTINUED FROM PAGE 9)

an agent in his prospecting. The accompanying talk was given by L. B. Hendershot, of the Life Insurance Research Bureau, Hartford. The use of motivation stories, and the results of their use, were graphically shown.

A minimum income sales demonstration was given by Harry M. Gershon of Atlanta. This was followed by an analysis of the sale by Manuel Camps, Jr., general agent at Providence. Mr. Camps took the sale to pieces and held up the salient points and showed how the connecting links were fitted to them.

A "Motivating Contest," was held and various agents took the platform and related stories which, when told to prospects, favorably influenced their attitude.

Discusses Use of Additions

J. Elliott Hall, general agent in New York City, presided on Wednesday morning. Alexander E. Patterson, general agent in Chicago, spoke on "The Use of Additions." Mr. Patterson, from his long experience, told when such policies should be ordered and how they should be used.

"Development of the Counsellor Relationship" was discussed by Joseph H. Reese of the John A. Stevenson agency in Philadelphia. He told how he approaches his prospect, gains his confidence, analyzes his financial situation, and applies whatever life insurance remedy is needed.

John P. Davies, general agent at Oakland, Calif., gave a talk on "Closing Technique." Harold A. Ley, president of the Life Extension Institute, described the genesis of his organization, gave data of its progress and the widening of its service, and depicted benefits which accrued to the individuals served as well as to the life insurance companies that provide the examinations.

Miller is Toastmaster

"Business Insurance" was discussed by Albert Hopkins of the J. Elliott Hall agency.

A banquet was held on Wednesday evening. Mortimer R. Miller, president of the Penn Mutual Agency Association and general agent at Rochester, N. Y., was toastmaster. There were only two speakers, President William A. Law and Charles T. Evans, vice-president of the Home Fire of Little Rock.

Frank H. Davis, general agent at Denver, was chairman of the last session. A sales demonstration for young single men was given by Harry E. Woodward, special agent at Clifton Forge, Va.

"How a Wife Can Help Her Husband to Succeed" was told by Mrs. Robert T. Shipley, wife of the general agent at Oklahoma City.

Life Insurance Brings Prosperity

"The Life Underwriter as a Business Man Sees Him," was discussed by L. R. Boulware, general sales manager of the Syracuse Washing Machine Corporation of Syracuse, N. Y.

John A. Stevenson, manager of the home office agency at Philadelphia, and New York general agent, pictured "The Successful Pennmutualist."

Vice-President Hart gave the closing address on "Looking Forward." Its tenor was only in part Penn Mutual. He surveyed the general field of life insurance as it is today, and as it was in the past. And then, turning to the wondrous structure and systems and processes of modern business, he pictured life insurance as a business which, through the adoption of modern organization management, and modern distribution methods, stands in the forefront of the agencies which have brought such marvelous prosperity to our country—a prosperity such as was never before equaled in the world, but which in the time to come will be far transcended by the accomplishments of the business men of the nation.

The department of education gave a

dinner Monday evening for the 50 members of the three supervisors schools which were held recently. Vincent B. Coffin was the toastmaster. Representatives of the three schools spoke.

Conway Discusses Stock Investment Controversy

(CONTINUED FROM PAGE 9)

mined by the extent of realized profits. Our soundest fire insurance companies have for years maintained a larger proportion of stock investments than bond investments and their stock holdings have paid only a fair return until the last several years. The fact that their recent profits have been extraordinary is in fact confirmatory of the soundness of the original investments.

"It may be that security values are inflated; that is beside the point. If they become deflated, there should be no catastrophe so far as insurance companies are concerned. As regards the proposal to require large reserves against possible depreciation, this, I consider a doubtful palliative. A company's surplus is its true depreciation reserve, and should be considered accordingly by the supervising authority.

Leans Toward Idea

"Some of our American companies are urging greater freedom for investment in securities of foreign governments or foreign corporations. Because of the close proximity of the Dominion of Canada, its securities seem to be particularly desired. I think this proposal, especially as to Canadian government securities, merits thorough consideration and I would be greatly interested in the views of all other Commissioners regarding it."

Life Insurance Epigrams Feature Clay Hamlin's Talk

Clay Hamlin, general agent of the Mutual Benefit Life at Buffalo and an outstanding personal producer, gave some epigrammatic advice to the company's Ohio agents at their convention in Cincinnati last week. Some of his points were:

"I think there is a great advantage in not closing on the first interview. It is advantageous, I think, to spend an hour thinking for each five minutes of interview."

"We all need a conscious plan. Preferably one put in writing because then you have to think it through and it can be kept before you permanently. Then, we need a system of records."

ATTRACTIVE GENERAL AGENCY CONTRACT

TO THE RIGHT MAN

In city of over half million population. Now open.

Exceptional opportunity for a live producer to make at least \$500 per month, under a liberal General Agency contract and at the same time

**BUILD UP A
PERMANENT INCOME**
For Old Age or his dependents

If you can qualify for this opportunity, give full details of all past business connections in your first letter, which will be treated as confidential.

W. C. C. Lock Box 1365
Columbus, O.

Metropolitan Shows Expectancy on Basis of 1918 Epidemic Year

NEW YORK, Sept. 19.—An interesting analysis of the 1918 mortality in the United States has been made by the Metropolitan Life, the expectation of life at several ages according to the mortality of that influenza year being compared with the mortality of other important periods in recent years. Surprising conclusions are shown, chiefly that in spite of the influenza mortality of 1918 the expectation of life in that year was practically the same as the expectation in 1901, so that even were the United States to suffer an influenza

epidemic of the 1918 proportions every year, under present general mortality, the expectation of life would be no worse than that at the opening of the century. Other factors enter into this of course, the improvement in certain other classifications, the child's death rate and like factors. The table showing the expectation of life at several ages according to mortality of 1918 (influenza year), in the United States registration states compared with that of other periods and localities, as compiled by the Metropolitan, follows:

Age	United States Registration States, 1918		United States Registration States, 1922		United States Original Registration States, 1901		Aggregate of Cities, Original Registration States, 1910		City of Pittsburgh 1920	
	White Males	White Females	Males	Females	White Males	White Females	White Males	White Females	White Males	White Females
0.....	47.07	50.16	56.76	59.01	43.23	51.08	47.32	51.39	47.18	50.51
1.....	48.41	50.72	56.69	57.84	53.03	54.62	51.62	54.73	50.38	52.10
2.....	44.16	46.54	52.26	53.32	48.85	50.40	47.37	50.44	46.23	47.95
3.....	44.17	42.51	47.90	48.92	44.57	46.14	43.00	46.03	41.93	43.67
4.....	36.74	39.19	43.80	44.83	40.71	42.26	38.91	41.87	38.06	39.78
5.....	33.77	36.58	39.76	40.83	37.06	38.60	34.95	37.87	34.38	36.30
6.....	31.34	34.07	35.63	36.82	33.43	34.98	31.09	33.97	30.76	32.86
7.....	28.84	31.11	31.65	32.82	29.87	31.36	27.44	30.16	27.32	29.43
8.....	25.87	27.70	27.74	28.86	26.33	27.71	23.94	26.37	23.96	25.92
9.....	22.66	24.13	23.92	24.96	22.82	24.05	20.56	22.68	20.66	22.32
10.....	19.35	20.58	20.21	21.20	19.40	20.48	17.31	19.13	17.42	18.83
11.....	16.19	17.20	16.75	17.61	16.16	17.12	14.30	15.83	14.45	15.59
12.....	13.24	14.01	13.52	14.26	13.17	13.99	11.67	12.91	11.78	12.62
13.....	10.52	11.10	10.67	11.32	10.48	11.13	9.37	10.35	9.27	10.07
14.....	8.25	8.68	8.30	8.82	8.11	8.64	7.37	8.15	7.22	7.93
15.....	6.32	6.64	6.29	6.69	6.09	6.54	5.73	6.28	5.74	6.05
16.....	4.76	5.00	4.72	4.98	4.54	4.89	4.44	4.77	4.22	4.46
17.....	3.60	3.72	3.66	3.73	3.39	3.63	3.48	3.66	2.51	3.06
18.....	2.76	2.72	2.81	2.82	2.54	2.67	2.79	2.82	1.19	1.87
19.....	2.09	2.07	2.17	2.18	1.88	1.94	2.16	2.20	*	*

*Not computed.

Mutual Benefit's Ohio Agents in Convention

More than 75 out-of-town delegates attended the state convention of the Mutual Benefit Life in Cincinnati. Among the speakers were President John R. Hardin, Oliver Thurman, vice-president and superintendent of agencies; G. G. Terribery, New York; Clay W. Hamlin, general agent at Buffalo, and J. S. Drewry of J. S. Drewry & Co., Ohio state agents. Most of the sessions, including the barbecue dinner as a concluding event, were held at the country home of Mrs. L. D. Drewry.

President Hardin spoke on the dividend and investment practices of the company, stating that he firmly believed in the principles enunciated by a former president of the company, Amzi Dodd.

Protection Main Purpose

"The object of a life insurance policy," said Mr. Hardin, "is not to pay big dividends but to offer an acceptable contract of protection at the lowest permissible cost, taking into consideration all possible events." Mr. Hardin referred to the fact that the Mutual Benefit, since its organization in 1845, has been through war, both civil and foreign, money panics and industrial upheavals and that the investment management of trust funds must be concerned primarily with the safety of the principal, not with the rate of yield.

"This is a long-time business," continued Mr. Hardin. "We look back 80 years and we must look forward an equal period of time."

Vice-President Thurman explained the new disability contract now being written by the company. Mr. Terribery outlined the methods which have made him, after only two years in the business, an outstanding million-dollar producer. J. S. Drewry gave the formula, "personality plus theory, plus art, plus directing effort" as being desirable for success in selling.

Canadians Hold Big Conference

(CONTINUED FROM PAGE 8)

Life Underwriters Association of Canada.

Discussion also took place about a provision that the company in giving notice of cancellation of an agency appointment, should give its reasons. Some company managers thought that this might leave them open to libel action.

Postpone Disability Action

Legislation affecting the disability benefit in life contracts was opposed for the time being by the executive committee of the Canadian association, which concurred in the opinion of the Life Officers' Association that the matter should be postponed for one year. Recommendation of the committee on life insurance reserve standards was adopted, so there will be no change in the provincial standard for at least a year.

It was decided not to appoint a special committee to consider the proposed draft bill regarding licensing of life agents as it was believed that a committee of the whole conference should deal with the subject and no sub-committee could express an average view.

Adopt Other Reports

The report of the committee on fire insurance was adopted and laws of Ontario, Saskatchewan and Alberta will be amended with respect to tornado and windstorm in the case of risks other than manufacturing and mercantile.

Superintendents Heath and Dugal were appointed a special committee to consider credit evil and report at the next conference, and Superintendents Garrett and Bruce were named a special committee to consider liability of insurers to third party claimants in auto accident litigation.

Every wide-awake life insurance man should subscribe for his own personal copy of The National Underwriter.

Bankers National

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MONEY MAKING CONTRACT

EASY SELLING
POLICY CONTRACTS

Ask for details of our
GENERAL AGENCY CONTRACT
A REAL OPPORTUNITY

for the progressive producer—Do not delay.

Write in confidence to

**BANKERS NATIONAL LIFE
INSURANCE COMPANY**

Jersey City, N. J.

Ralph R. Lounsbury, President

George Ramée, Supt. of Agencies

"Life Insurance"

It could not have a better name, because it is indeed *Life* insurance! It is for *you*, when your working days are done. It is for *you*, if accident or disease takes away your earning power. It is for *you*, while you are paying for your home, and educating your children. It is for *you*, when there comes to you any one of the financial vicissitudes or emergencies which, at one time or another, assail every life. It is for *you*, because it builds—and conserves—for you and your successors an estate more surely and securely than any other financial plan can. It is for *you*, because it creates capital for your corporation or partnership, and safeguards both from loss. It is for *you*, because it supplies a perfect instrument for your philanthropies.

It takes fear from your life, and your home, and your business, and in place it gives courage, peace of mind, and that joy in life and work which is possessed only by those who are protected against fortune's mischances.

Life insurance is the magic of modern finance made available to every man and organization and institution.

Wm. A. Law, President

Wm. H. Kingsley, Vice-Pres.

Hugh D. Hart, Vice-Pres.

**The Penn Mutual Life
Insurance Company**
Philadelphia, Pa.

Independence Square

Founded 1847

STATE MUTUAL LIFE ASSURANCE COMPANY

OF
WORCESTER, MASSACHUSETTS

**Announces the
Extension of its Territory
to the West Coast
and
Its Entrance into
the State of Kansas**

**INCORPORATED — 1844
AND NOW IN ITS
EIGHTY-FIFTH YEAR OF SERVICE**

STATE MANAGER FOR NEBRASKA

Contract second to none, on commission and renewal basis. Allowance for office rent and telephone. No advance—no salary. If you are a producer and can organize a sales force this is the contract you want—write

O. L. HOLLAND, President

**AMERICAN NATIONAL
ASSURANCE CO.**

3719 Washington Blvd., St. Louis, Mo.

Rhodes Presents His Final Plea for Mutual Benefit (CONTINUED FROM PAGE 5)

four months does not exceed one-fourth of his former earned income, and it has incorporated in its policy contracts the definition of earned income which is in the federal income tax act. What is earned income for income tax purposes will be earned income for the purposes of the disability contract. By this straightforward and simple provision the insured will know precisely whether or not he has a claim against the company. He will not have to inquire into the company's practices, nor study the decisions of the courts of his state to know what his rights are.

Differs in Various States

"Under the committees' definition, as it has been construed by courts, a policyholder in North Carolina cannot recover unless he is so far incapacitated that he cannot pursue any gainful occupation, while a policyholder in South Carolina can recover if his disability is such that he cannot perform any substantial part of his normal duties. Under the Mutual Benefit's definition policyholders in the two states would be on a parity. Under the committees' definition the two policyholders might be treated alike by companies as a matter of grace. Under that definition, as modified by the Mutual Benefit, they would be treated alike by companies and courts as a matter of contract.

Variation in Views

"In the report of the two committees to which I have referred, the view was expressed that the Mutual Benefit provision would render practically impossible general uniformity. It is demonstrable that such is not the case.

"We have seen that the definition which has been in common use, and which is recommended by the committees, does not, in the minds of the courts, mean what it says, and that under it, if literally construed, the contract would be virtually ineffective, for any purpose, at its very execution. While the weight of opinion is that the insured is disabled when he cannot perform a substantial part of his duties, there has been a wide range in the views which the courts have taken. There has also been a very considerable variation in the views of the companies.

Experience Varies

"In 1926 a committee of the Actuarial Society investigated the disability experience of two groups of companies whose policy contracts contained substantially the definition of total disability which is now recommended. The data which entered into the experience of the two groups were homogeneous except as they were affected by the interpretation which the companies had placed upon the definition of total disability. The one group had followed what might be called a conservative interpretation, and the other a liberal interpretation. The committee computed net premiums for the disability benefit on the basis of the experience in the two groups, and such net premiums vary from 60 to 85 per cent. This is a striking demonstration of the fact that the definition recommended by the committee does not make for uniformity. If the definition adopted 30 years ago, when disability insurance was originated, is a perfect definition, why should there have been such divergency in the application of it, and why should there have been so much litigation concerning it? In a meeting of insurance counsel recently, one of the group boasted that he had won his first disability case in the courts. Another member of the group remarked that that was nothing to brag about as he had won two cases.

Uniformity Not Destroyed

"It seems very clear that if there be written into a policy contract that interpretation of the present definition which

PROSPERITY FOR ALL

There was a king of France whose chief desire was that every subject should be able to afford "a chicken in the pot" on Sundays. That wish finds its counterpart today in the desire of this Company for each of its field men to have all the prosperity to which conscientious service entitles him.

COMMONWEALTH CORDIAL CO-OPERATION

COMMON-WEALTH'S wish for your prosperity is more than a wish. It finds its culmination in the actual efforts of the Home Office to help its agents sell more life insurance. COMMON-WEALTH cordial co-operation helps agents to a better understanding of their problems, and how to handle them. Satisfied customers, money-making agents; that is the COMMON-WEALTH idea of true prosperity. Toward that goal the Home Office bends every effort with constantly increasing results.

**COMMONWEALTH
LIFE INSURANCE CO.
LOUISVILLE, KY.**

is sustained by the weight of opinion in the courts, adding thereto only what is necessary to determine what constitutes a substantial part of the duties of the insured, we have not destroyed uniformity. The Mutual Benefit is, in fact, restating the present definition under such restrictions as will require the company to administer it in harmony with what the courts have declared to be its intent. The mind searches in vain for some good reason why supervising authorities should prevent a company from voluntarily so doing.

Proposed to Reverse Principle

"Standard provisions to be incorporated in life insurance policies have been enacted by several states. Although they do not prescribe the precise language which must be used, and the companies have been left free, within the statutory limits, to draft their own contracts, practical uniformity has resulted therefrom. At the same time no company has been prevented from making its contracts increasingly advantageous to the insured. It is now proposed to reverse this principle of legislation which experience has shown to be for the good of the business, and to bring about uniformity by making compulsory the very definition which, under company practices and court decisions, has brought about diversity. As a matter of logic the proposition condemns itself.

Harmonized With Judicial Opinion

"We are told that the courts will require this definition 'to be interpreted reasonably in a spirit of fairness to the insured' and that, guided by further experience, the companies will be able to apply the definition to actual cases 'without undue liberality on the one hand and undue strictness on the other.' This is tantamount to saying that the definition is not operative without interpretation. Is it not sounder in principle and fairer to the insured to offer a clear contract in the first instance? Why forbid a company to do so? Why enjoin uncertainty, with admitted necessity for interpretation, which, even if reasonable or even judicial, is by no means bounded by uniformity? Uniformity in principle would be better served by harmonizing the contract with the weight of judicial opinion, and this the Mutual Benefit has accomplished by its definition of total disability.

Must Be in Proportion

"Recently there has been impressed upon many minds the desirability of a provision in disability contracts which will enable the companies to protect themselves against the dangers of over-insurance. It is now generally recognized that there cannot be any sound disability underwriting if the benefits granted are out of proportion to the insured's earnings. Cases are not at all infrequent where it has been found that a disabled person was entitled to benefits greatly in excess of his current income. Unlike the life insurance policy, the disability contract is purely one of indemnity, and where such a situation as I have referred to exists, it is essential that dishonest policyholders shall not profit at the expense of honest ones. What is generally referred to as a pro-rating clause is therefore desired by many companies, and it is probable that such a clause will be required by legislation in at least one state. The joint committees have included such a clause among their permissive provisions. In a paper read before the Actuarial Society of America in May last, John M. Laird, who is a member of the committee appointed by Superintendent Beha, suggests that if a pro-rating clause is introduced, the definition of total disability might, for the sake of consistency and clarity, be changed to cover the loss of earned income. It may be said that such a change would be necessary. In view of the probability that a pro-rating clause will come into more or less general use in the near future, this phase of the matter must therefore be con-

sidered in connection with the committees' proposed definition.

Disability Definitions Given

"The committees defined total disability as 'Incapacity resulting from bodily injury or disease to engage in any occupation for remuneration or profit.'

"The Mutual Benefit's definition reads as follows: 'The insured will be regarded as totally disabled when, by reason of accidental bodily injury or by sickness, his average monthly earned income for a period of four months has not exceeded one-fourth of his former earned income (averaged monthly for the twelve months immediately preceding such four months).'

"We do not seek to enforce our revised definition on any other company. We merely ask that we shall not be deprived of its use. It represents the first effort which has been made to revise the definition so that it will express the true intent of the parties to the contract. Although it has been used for only four months, it has been received favorably by the insuring public, and it is confidently hoped that its continued use will be permitted. It is not new. It has been in successful use in Europe for several years, and it was suggested for use in this country some nine years ago by a prominent actuary. It was adopted by the Mutual Benefit as the result of a careful study of the experience of other companies and of the decisions of the courts. It represents an honest and sincere effort to place the disability business upon a better footing and as such it should be allowed the benefit of a trial."

Old Colony Is Found Solvent

(CONTINUED FROM PAGE 7)

stock for a song. President Nueske, an old time life insurance actuary, who took hold of the company years ago when it was practically defunct and reorganized it on a sound basis, has been approached by a man affiliated with the three who signed the latest charges, who offered to buy some 6,000 shares of officers' stock at as low a figure as \$3.50 a share, when the par value is \$10 and Old Colony officers say the book value is approximately \$100.

This same group of men furnished the appraiser to the state department upon whose findings the low estimate of the Old Colony's assets was made which resulted in the insolvency charges, according to President Nueske.

Nueske Makes Comment

He emphasized the injustice of permitting men who are attempting to gain control of a company to furnish the appraisers whose figures might run down the value of the company's stock.

The company president declared this "crowd" made absurd offers for the company during the insolvency proceedings. One of these offers, he said, was to exchange \$750,000 in securities approved by Illinois for \$150,000 of the company's \$300,000 authorized stock, thus giving control with stock the others had picked up, and \$750,000 of "participation certificates," which he said constituted a loan that must be repaid, whatever it was called.

He said this virtually meant giving away half the company's stock, and control.

Tennessee Managers Exchange Positions

An exchange of positions has been made by Brice West, who was manager of the Clarksville, Tenn., office of the Metropolitan Life, and Lane Marable, manager of the district office in Nashville.

Mr. Marable began as an agent of the company in 1923 and in 1925 he was promoted to manager of the Nashville district which position he held until the exchange in office was made with Mr. West.

Mr. West started as an agent for the company in Birmingham in 1917. He was then transferred to Nashville and eight years ago went to Clarksville as manager.

YOU Who Are Interested in Selling Life Insurance

or who may become interested in its sale, will want to know why The Gem City Life Insurance Company has nearly 14 times as much insurance in force at the close of 1928 as it had ten years before.

The agency contract and the unusually wide range of underwriting provided by the company, that includes all standard and many special forms of participating and non-participating life, accident and health and group policies, with premiums payable monthly, quarterly, semi-annually or annually, are some of the substantial reasons for the outstanding progress the company is making.

There are other equally impressive reasons and if you will write to I. A. Morrisett, President, at Dayton, Ohio, he will be glad to give you complete details of that agency contract and the very many reasons why it will pay you to join the rapidly expanding agency staff.

The company wishes representatives in Ohio, Michigan, West Virginia, Tennessee, Alabama, Georgia, Louisiana, Florida and the District of Columbia.

The Gem City Life Insurance Company

OF DAYTON, OHIO

The Rapidly Growing Company



Man Power and the Power of Men

Man power is rapidly becoming recognized as one of the most valuable assets of any corporation. It presents a new field for life insurance—one on which the surface has only been scratched.

Man power would be of little worth, however, without the power of men to organize, secure cooperation and direct the energies to one purpose.

One of the outstanding advantages of The Ohio National Life Insurance Company is the cooperative spirit of its salesmen and the power of this cooperation in making the salesmen happy and enabling them to do their best work. The spirit of the Ohio National is the marvel of every new man who joins the organization.

Men of ability, who are looking for larger opportunities, are invited to join the Ohio National and become one of this fast-growing cooperative organization.

Desirable openings available in the following states: Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Mississippi, Missouri, Nebraska, Ohio, Pennsylvania, Tennessee, Texas and West Virginia.

For information as to territory and details of contract write—

The Ohio National Life Insurance Co.
Cincinnati, Ohio

T. W. Appleby, President.

E. E. Kirkpatrick, Supt. of Agencies

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

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Why Life Insurance Men Persist

ONE letter such as an agent of the MONTANA LIFE of Helena received recently is reward for all the intensive labors of the dyed-in-the-wool life man. The same old story—but with a happy ending, or rather a single tragedy rather than a double one. A widow with three children, a policy that did not appear to be much of an asset because some of the cash value had been borrowed. Then the startling discovery that the husband had continued his premium payments, the policy was in force, and moreover it contained a double indemnity clause which brought a check for \$1,910 rather than one for less than \$1,000.

Is there any man or woman who cannot get a thrill of sympathy with this little mother saved for the moment from drudgery and want? It is a simple life story that agents run across almost every day. However, all too frequently the happy ending is lacking because the husband during his life was intolerant and either insisted he needed no life insurance or he had "all he could carry."

"You came with that check for twice as much money as I ever expected under the

policy," the widow wrote to J. E. TANNERHILL of the MONTANA LIFE at Billings, Mont. "It is at such a time as this, MR. TANNERHILL, that a widow with three children appreciates, oh, so much, the work of you life insurance agents in persuading husbands and fathers to look forward to that time when Providence wills they shall be here no more."

One can guess which gave MR. TANNERHILL the greater gratification—the commission he earned on this policy or the letter of gratification straight from the heart of a desolate wife saved from even worse by the thoughtfulness forced on her husband by a persistent life insurance agent.

In this case it is possible the husband could have paid for no more than \$1,000, but one wonders how long that \$1,910 will feed and clothe and keep a roof over four people, not to mention educate three of them. The husband probably thought he was doing a big thing when he took that policy, but \$5,000—nay, even \$10,000—would have been all too small for this little woman to carry out what she has to do in the next 15 years or more.

Selecting Appropriate Name

THE present activities of the MODERN WOODMEN order bring to memory many incidents of the forming of these lodges in various localities. It was not always easy to find names for camps. During the forming of the Woodmen Camp at Hamilton, Ill., on the Mississippi River, opposite Keokuk, Iowa, the assembled neighbors were racking their brains for

a suitable name for the local camp. A government boat named "The Rescue," working in and out of Keokuk, had a most demoniacal whistle, and in the midst of the deliberations the boat's pilot cut loose. Said one member:

"Let's name the camp 'Rescue Camp,' and the suggestion was adopted unanimously.

Taking Advantage of the Seasons

PRESIDENT R. W. STEVENS of the ILLINOIS LIFE advises agents to use every advantage that a particular season of the year offers. In the winter time, in the sections where the thermometer has fallen far down the tube, there is something bracing in the air and invigorating in the very cold itself. Blood seems to be driven through the veins more vigorously. Because of this there is greater alertness in mind and body. Therefore, a man feels fit to tackle the hardest kind of a prospect. The prospect may be fighting the cold as well as the agent.

In the summer time when the heat is oppressive the prospect is in much

the same mood as he is in the winter time. He is fighting, as Mr. STEVENS puts it, against that inertia which comes with the season. It may take a little more will power on the part of the agent in presenting his program, but the season itself offers arguments. If a man is considering recreation and vacation Mr. STEVENS declares that it opens the way to talk about the opportunity that life insurance gives to provide some recreation for dependents in the future if the head of the household is not there to make the plan.

Therefore, each season has its advantages which far overcome any handicaps.

PERSONAL SIDE OF BUSINESS

A remarkable record in the production of new business which has been virtually free from lapsation is that of **Meldrum Gray**, general agent at Columbus, O., for the Northwestern National Life. In the four years and seven months ending Aug. 1, Mr. Gray's personal paid-for new business totalled \$1,015,000. All of this business was in force Aug. 1 except \$20,000 paid out in death claims and another \$20,000 surrendered for cash.

Foremost among the reasons for setting this phenomenal record, Mr. Gray places selection of prospects. Before a policy is placed by this producer, he is practically certain that it will not be lapsed. His record attests to the accuracy of his judgment.

John A. Sullivan, vice-president of the Great Northern Life, Chicago, has just returned to the home office from a week's visit among the company's various general agencies in Wisconsin.

F. W. Griffin of Houston, Tex., president and manager of agencies of the Great Southern Life, was a recent luncheon guest of the Nashville agency. The luncheon was attended by company representatives throughout middle Tennessee.

The Nashville agency was opened 18 months ago under the management of **A. Walton Litz**. It reported the greatest volume of business during the past month since its entry into this territory.

Henry P. Ledrich of the Akron, O., agency of the Lincoln National Life was presented with a beautiful gold watch charm by C. E. Way, general agent, in recognition of Mr. Ledrich's 10 years of service with the Akron office and the Lincoln National Life.

Edgar C. Fowler, general agent in Chicago for the New England Mutual, miraculously escaped serious injury in an automobile accident last week in which his companion, Edwin M. Scribner, a young member of the agency, was killed outright. Their car skidded on a rain-soaked highway northwest of Chicago when Scribner applied his brakes to avoid hitting another car. He was crushed by the steering wheel when the car overturned.

Acors Wells Rathbun, vice-president of the Old Colony Life of Chicago and a pioneer of Du Page county, Ill., died Sept. 13 at Glen Ellyn following an operation. He was president of the Rathbun-Grant-Heller Company, printers, past potentate of Medinah Shrine Temple, was director in several companies and active in other fraternal orders and clubs. Mr. Rathbun was 66.

Charles Emory Phillips, assistant secretary of the Equitable Life of Washington, D. C., and Miss Catherine Estelle Siegler of Tacoma Park, Md., were married in Richmond, Va., Friday, Sept. 13. In taking out the license, Mr. Phillips told the license clerk that he was not a bit superstitious and that the supposedly unlucky combination had absolutely no terrors for him.

Rather a striking record is being written up by **Robert J. Manheimer**, a 27-year old agent in the New York organization of the Equitable Life of New York. Mr. Manheimer is a member of the Rosenstein agency and has been in the business 3½ years. In this short time he has paid for \$2,200,000 and this year is going well over the \$1,000,000 mark. He has maintained his record production through the summer, his July total of paid business being \$177,500, and his August total \$209,000. In the first eight months he has paid for \$800,000 and one month of his time was spent in a vacation in Havana. Mr.

Manheimer has a clientele the average age of which is 27. He is an uncanon underwriter, having had only one decline in more than 225 cases written since he began his life insurance career.

Leon Triggs, manager of the Berkshire Life at Minneapolis, is making a six weeks' motor trip through the east and will wind up at Washington, D. C. to attend the convention of the National Association of Life Underwriters. He is a member of the executive committee and prominent in the councils of the organization.

George Ellinghouse, 46, of the Minneapolis agency of Missouri State Life died following an injury received about 10 days before when his car was hit by a Yellow cab. Though with the agency only 18 months, Mr. Ellinghouse was one of its best men, making the \$100,000 Club his first year. Burial was at Belle View, Ia.

L. Edmund Zacher, vice-president and treasurer of the Travelers, and Mrs. Zacher sailed Saturday on the "Cedric" from New York for a European trip.

Thomas G. Murrell, who has taken over the managerial duties of the life department in the general agency of Fred S. James & Co., Chicago, goes from supervision of the life, accident, group, and agency development departments of the Travelers at New Haven, Conn. Dr. E. Ruggles, former Chicago manager recently resigned. Mr. Murrell, a graduate of Annapolis in 1920, subsequently saw five years' service in India and China. He has the degree of chartered life underwriter from the American College of Life Underwriters. His background of insurance knowledge and experience more particularly includes several years as manager and assistant manager of the Travelers' offices at Waterbury and New Haven, Conn., and at Baltimore, Md. Mr. Murrell is a young underwriter of unusual vim and vigor, and great things are expected of the life department under his management.

Hugh McTernan of McTernan-Haas, agency in Kansas City, Mo., for the Sun Life of Canada, was married last Saturday to Miss Elizabeth Donohue of Kansas City.

Among the honor guests at the Washington convention of the National Association of Life Underwriters next week will be **Garland P. Peed**, a member of the Robbins & Simons agency of the Home Life of New York in New York City. Mr. Peed is going as his company's agency association's guest, being the winner of the summer production contest for new business. Mr. Peed has the further distinction of leading the entire agency organization of his company for August and for the year to date, even though he is one of the newest men in the business. He first entered the business Jan. 15 of this year, but he so thoroughly grounded himself on the fundamentals of insurance trusts and tax insurance that he has shown a surprising first year return.

C. Allan Hopkins, district manager at Montgomery, Ala., for the Mutual Life of New York, was recently elected commander of the Montgomery Post No. 2 of the American Legion.

News comes from Atlanta that **Gen. William A. Wright**, venerable insurance commissioner of Georgia, died Friday night. He was 85 years of age in January and has been comptroller general of the state for 50 years, having been appointed the first time Sept. 17, 1879. He has been elected to this office 29

times and opposed only three of this number. The general lost a leg in the army of General Lee and has long been prominent in the political and social life of Georgia.

It was announced at the Penn Mutual convention in Quebec this week that **Herman Kramer** of the Alexander E. Patterson agency of Chicago leads the entire field force of Penn Mutual agents in United States in production for the first eight months of 1929. Mr. Kramer has been with the Penn Mutual for 18 years and is one of the leading \$1,000,000 producers of Chicago.

C. Edward Flanagan, secretary North

American Life of Toronto, died at his farm near Weston, Ont., Saturday evening from acute indigestion. He has been with the company during his entire business career. He was assistant secretary until three years ago, when he was elected secretary. His hobby was farming.

O. M. Booher, Equitable Life of Iowa representative and civic leader in Kokomo, Ind., has been appointed alumni executive secretary of his alma mater, Purdue University. He succeeds Harry G. Leslie, who resigned to become governor of Indiana. Mr. Booher moved his family to LaFayette and took over his new duties Sept. 1.

LIFE AGENCY CHANGES

KANSAS VETERAN RETIRING

Lyle C. Cutler Succeeds H. O. Garvey as General Agent for Massachusetts Mutual Life

H. O. Garvey, the oldest life insurance man in Kansas in point of continuous service with a single company, has resigned as general agent for eastern Kansas for the Massachusetts Mutual Life. Lyle C. Cutler, a special agent in the Garvey agency in Topeka, has been appointed general agent and in addition the Salina general agency has been consolidated with the Topeka agency for purposes of administration. This gives the Topeka general agency practically all of the northern half of Kansas. Mr. Cutler formerly was a Methodist minister, who gave up the ministry to go into the life insurance business. He has been with the Massachusetts Mutual three years and is a large personal producer.

Mr. Garvey has been the general agent for eastern Kansas for 35 years and was a local and special agent for some years before he took over the general agency contract. He has been very successful in building up the business of this company in his state. He is the dean of life insurance men in Kansas and regarded as one of the best informed men in all phases of life insurance in that section of the country. He will devote his time to annuities and investment insurance, a field which has hardly been touched by life insurance men in that section.

R. M. Buck

R. M. Buck, who for the past 18 months has managed the Fort Wayne office of the Great Northern Life of Chicago, has been transferred to the C. B. Hiron general agency at Hollywood, Cal., as field supervisor.

Prior to his going to Fort Wayne Mr. Buck served as a field supervisor for the home office for two years. He had been active in life insurance work in Los Angeles for five years before going with the company during which time he has made many friends and contacts which will be helpful to him in his new connection.

The Hiron agency is one of the company's leaders in production throughout the United States.

Equitable Life of N. Y.

V. E. Beamer of the Indianapolis staff of the Equitable Life of New York, has been transferred to Jacksonville, Fla., where he will become agency manager. Fitzhugh T aylor, also of the Indianapolis staff, goes to the home office as agency instructor for middle west territory. Heber Gill of Bloomington, Ind., is transferred to Indianapolis as district manager for the counties southwest of Indianapolis. Earl T. Bonham succeeds Mr. Beamer in the Indianapolis office.

KANSAS CITY OFFICE OPENED

V. Webner Wiedemann Takes Charge of New Sun Life Branch—Other Changes Made

KANSAS CITY, MO., Sept. 19.—The Kansas City divisional branch office of the Sun Life of Canada was opened last week on the fifth floor of the Midland building. V. Webner Wiedemann, formerly of Seattle, Wash., is branch manager, and Joe H. Hope is divisional secretary.

Mr. Wiedemann was formerly manager for western Washington for the Western Union, becoming assistant manager for the Washington division of the Sun when that company absorbed the Western Union. Before that Mr. Wiedemann was assistant agency director for the Equitable Life of New York for the western Washington division for four years.

Mr. Wiedemann is the retiring president of the Seattle Life Underwriters Association which has had an enviable record in the past few years and which at the present time numbers about 450 members.

Formerly with the Western Union at Spokane, Mr. Hope was in charge of the transfer department while the Western Union records were being transferred to the Sun Life. Mr. Hope then went with the Sun.

W. B. Hamilton has been appointed agency assistant to J. A. Macfaden, manager Seattle office of the Sun Life of Canada to succeed Mr. Wiedemann. Mr. Hamilton has been manager at Tacoma for the Sun Life. C. W. Greening of Tacoma succeeds him there.

James Keane, J. D. Shaw

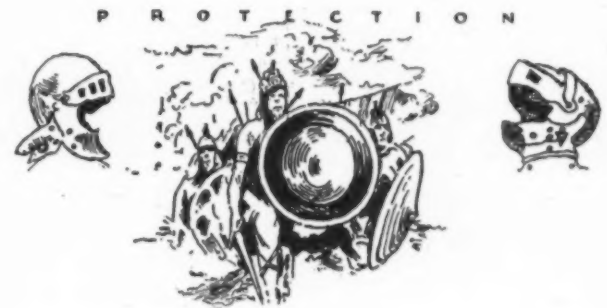
Vice-President W. H. Savage of the Great Republic Life announces the appointment of James Keane as general agent at Sacramento in charge of a number of counties in northeastern California, with offices at 207 Forum building in that city. Mr. Keane was formerly with the Western States Life and later with the old International Life and has a record of successful agency experience.

James D. Shaw is appointed general agent at San Jose, Cal., effective Sept. 1. Mr. Shaw has been serving as agent of the company for the past year in that district and has been very successful in personal production.

Lyman King

Lyman King, who has been actuary of the Kansas insurance department since Commissioner C. F. Hobbs took office last January, has resigned to become state agent for the New England Mutual Life. He was a local agent and a district agent for that company for some years previous to going with the insurance department and when Frank B. Parker asked to be relieved of the general agency burden, Mr. King was named by the company to take over the

PROTECTION



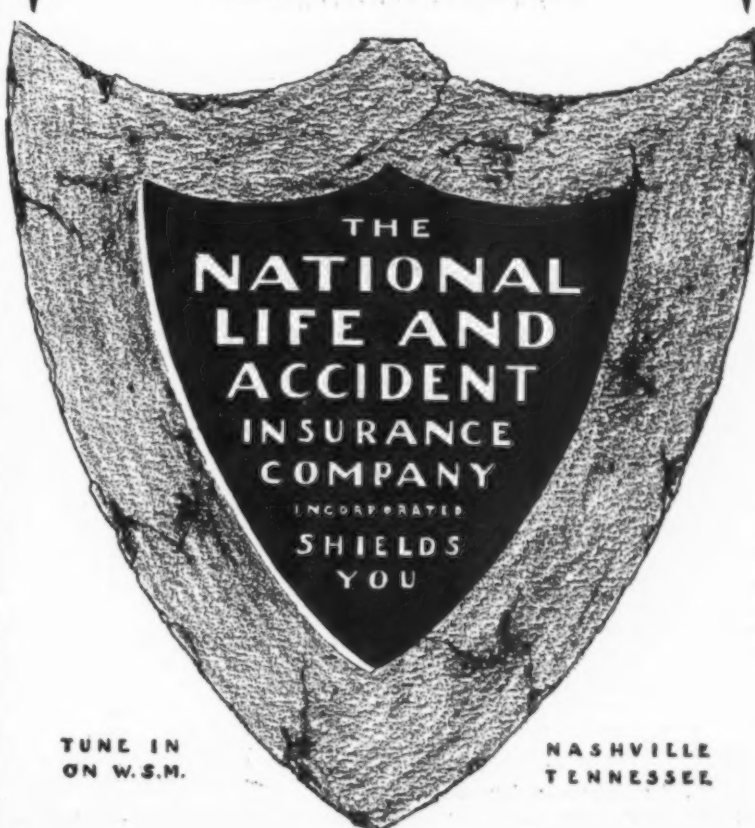
Territory—

(Advertisement 5 of a series)

Shield Men march forth to battle with the Shield button in their lapel symbolizing the protection and security given by National Life and Accident policies—backed by an ably managed organization—and competent to write policies filling every life, accident and health need.

An army of purposeful men of enthusiasm completely equipped to care for all life insurance needs! Their battle ground extends from the Atlantic to the Pacific Ocean and from the Gulf of Mexico to the Great Lakes—the National Life and Accident is licensed to do business within this expansive territory. This great army of men find it profitable to wear the Shield button.

It pays to be a Shield Man!



TUNE IN
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NASHVILLE
TENNESSEE

state agency. Mr. Parker has been general agent for 11 years and was an agent for the company many years before he assumed charge of the state.

Commissioner Hobbs is in Toronto this week attending the commissioners' meeting and will not name Mr. King's successor until late in the month.

C. M. Radney

The Pilot Life has appointed C. M. Radney general agent at Roanoke, Ala.

C. W. Timberlake

C. W. Timberlake, formerly general agent for the National Life of Vermont at Cedar Rapids, Ia., has moved to Des Moines to become agency superintendent for Iowa for the New England Mutual Life under Clarence N. Anderson, general agent.

Byron L. Hart

Byron L. Hart, formerly district manager at Keokuk, Ia., has been made agency supervisor by the National Life of Vermont in charge of the Des Moines branch.

Mr. Hart was at one time with the Southern Surety in Des Moines.

Mr. Hart succeeds J. Frank Yost as

head of the agency. Mr. Yost desires to give full time to personal production.

H. W. Gale, Jr.

The Federal Union Life has opened a new office in Cleveland. H. W. Gale, Jr., has been appointed general agent, with offices at 1214 Swetland building.

Prior to going with the Federal Union Mr. Gale was associated with his father, Hoyt Gale, Sr., who is general manager of the Cleveland agency of the Home Life.

John W. Wells

John W. Wells, former newspaper man of Olathe, Kan., has been named agency director for Kansas for the Pyramid Life. Mr. Wells will start immediate organization of the Kansas territory with headquarters in Olathe. The Pyramid was admitted into Kansas in July.

C. E. Bissell

C. E. Bissell, assistant manager of the eastern Ontario branch of the Canada Life, has been promoted to manager of the southern Alberta branch, with headquarters at Calgary, effective Nov. 1.

Angell, who was its secretary. All the books of the Imperial Casualty have been turned over to the Ohio insurance department.

The hearing was continued to Sept. 27.

Penn Mutual's Milwaukee School

Agents for the Penn Mutual Life under the Milwaukee general agency will attend a three-day school in Milwaukee Oct. 24-26. The director of education of the Penn Mutual Life and a number of home office executives are expected to be in attendance.

Bailey Wins Promotion

Unusual success made in life insurance by teachers, illustrated many times in the past, again is shown in promotion of Earle W. Bailey, general agent for the New England Mutual in Cleveland, succeeding H. F. McNutt, resigned. Mr. Bailey, who is only 37, taught school about six years and then joined the Equitable in Vermont, his native state. He made a creditable record there and at St. Johnsbury and Manchester. He was president of the Manchester life association and secretary of the state body. In January, 1927, he won the prize offered by the National Association of Life Underwriters for the best essay on "Thrift."

Host to Equitable Agents

The Elbert Storer agency of the Bankers Life of Iowa in Indianapolis recently was host to 150 agents operating in Kentucky, Ohio, Illinois, Indiana, Tennessee and West Virginia. The event was in the nature of a school of instruction.

Six officials of the main office at Des Moines, attended the meeting and spoke briefly. The company is planning a

month of special underwriting and will ask the agents to make a specialty next month of visiting all old policyholders in an effort to write additional insurance.

Manufacturers' Life Agents Meet

Representatives of the Manufacturers Life of Toronto within the jurisdiction of the Lansing, Mich., office attended a sales meeting there last week which was addressed by several home office officials including J. H. Lithgow, actuary, George Holmes, assistant actuary, and A. Kinch, inspector of agents for the United States. Ralph Wade, second deputy commissioner of the insurance department, also spoke. About 25 attended the conference from several cities. C. M. Twiss is manager of the Lansing agency.

Files Libel Suit

Alleging that he had been libeled, James P. Sullivan, local general agent in St. Louis for the Lincoln National Life, has filed suit in the St. Louis circuit court asking for \$50,000 damages from Stratford Lee Morton, general agent in St. Louis for the Connecticut Mutual Life.

Plan for Indiana Insurance Day

James A. Bawden, chairman of Indiana Insurance Day, which will be held in Indianapolis next January, met Monday with a number of those who have been active in the events during the past and discussed some of the preliminary details of organization. He is assured of hearty cooperation of all interests toward the development of a program that shall be in keeping with the excellent offerings of the past.

EASTERN STATES ACTIVITIES

BALTIMORE MEN JOIN FORCES

Edward J. Ames, Jr., and Philip A. Welforth Now Associated with James F. Russell, Jr.

Edward J. Ames, Jr., formerly with the Connecticut Mutual Life, and Philip A. Welforth, recently in charge of the Baltimore branch office of the Life Insurance Company of Virginia, have become associated with James F. Russell, Jr., and the three have moved from 613 American building, Baltimore, into larger quarters at Suite 810 in that building.

Messrs. Ames and Welforth are both good producers and are active and alert

life underwriters. Mr. Russell up to Aug. 1 paid for more than \$1,000,000 and applied for between \$300,000 and \$400,000 more.

Knight Back From Hawaii

Charles B. Knight, New York general agent of the Union Central Life, has returned to his office from a vacation spent in the Hawaiian Islands. Mr. Knight is optimistic as to business conditions and believes the Union Central agency in New York will pay for at least \$50,000,000 of new business before the end of the year.

Every wide-awake life insurance man should subscribe for his own personal copy of The National Underwriter.

CENTRAL WESTERN STATES

GROUP INSURANCE EXTENDED

Wisconsin Labor Unions, Regardless of Size, Can Take Out Coverage for Their Members

MILWAUKEE, WIS., Sept. 19.—Extension of group insurance privileges to labor unions of the state, regardless of their size, one of the interesting pieces of insurance legislation enacted at this session of the legislature, has resulted in a number of labor organizations already making inquiries as to methods by which this insurance may be maintained, and some underwriters are looking for a nice extension of the group insurance business in this field, particularly in the large industrial sections in the eastern part of the state.

Heretofore group insurance has been restricted in Wisconsin, and could be obtained only by one employer who had 50 or more persons in his employ. The employer paid a large part of the insurance formerly, and the employee was only allowed to contribute a small amount.

The new law provides that privileges of group insurance are extended to labor union groups and the premium may be paid by the union, or the union and its members jointly.

Fohr Entertains Agents

Louis J. Fohr, Chicago general agent of the Connecticut Mutual Life, enter-

tained his agents and a party of friends on a boatripe on Lake Michigan last Tuesday. Mr. Fohr chartered a boat which visited all of the intake cribs several miles off the shore. Luncheon was served at the Carter Harrison crib. This was followed by a trip through the new Chicago water tunnel under the lake. Mr. Fohr and a group of his agents returned last week from the company's convention at Bigwin Lake, Canada.

AFFAIRS OF OHIO LIFE AND CASUALTY CARRIERS PROBED

The affairs of the McKinley Mutual Life, Marion, O., the McKinley Life Insurance Agency Company, Columbus, and the Imperial Casualty, Columbus, and the activities of Henry P. Angell of Columbus, who promoted them, were inquired into at a hearing before Superintendent Younger Saturday. Complaints had been filed against Mr. Angell, charging him with rebating and unethical insurance practices.

At the opening of the hearing Mr. Angell offered to surrender his license as an agent for the Imperial Casualty and at the same time made application for a license as an agent of another company. No action was taken.

On Mr. Angell's application, a receiver was appointed a few days ago for the Imperial Casualty. Differences, it was announced, had arisen between Edward A. Schamb, president and treasurer of the company, and Mr.

NO BASIS FOR DAMAGE SUIT

Company Not Required to Accept or Reject Application Within Any Specified Time

In *Savage vs. Prudential*, in the supreme court of Mississippi, 121 So. 47, one Abernathy made application for certain life policies. The company failed either to accept or reject these policies for more than 52 days thereafter. Abernathy was accidentally killed before the policies had been acted upon. The plaintiff, as administrator of his estate of Abernathy, brought suit for damages for alleged negligence in failing to act on the application in a reasonable time.

No Obligation on Company

On trial of the case judgment was given for defendant. On appeal the higher court in affirming this judgment said:

"The Prudential was under no duty to write insurance on the life of appellant's intestate, because there is no statute in this state fixing such duty upon insurance companies. It is quite elementary that there cannot be a tort without a breach of a legal duty. It is true that the business of insurance is affected with a public interest, and it may be that under the state and federal constitutions the legislature might impose upon insurance companies a duty in this behalf.

"But, unless and until the legislature shall declare a legal duty on the insurance companies to an applicant for insurance, despite the terms of the application, this court is without the power or the desire to trench upon legislative authority.

Case of Bank Cited

"In the instant case the application was taken on the direct and positive offer of the applicant not to impose any liability upon the insurance company.

until the policy had been issued and delivered to him, and the premium had been paid therefor, he being in good health, etc. To hold that there is no contract, nor breach of a contract, in failing to insure this applicant, or to notify him that he was not insured, and then to hold that a tort arises, is to hold that there was created a legal duty, and to this we cannot subscribe.

"The fact that the insurance companies are granted a franchise to do business in this state does not and should not impose upon them the duty to consider promptly all who offer to them the risk of insuring their lives, no more than would be required of a bank to lend money promptly to all who should make application and suffer loss while the bank was negligent in determining whether or not it would accept the offer and enter into a contract."

Bankers Life Officials at Dallas

Executives of the Bankers' Life of Iowa met in a sales conference in Dallas with 125 present from Texas and Oklahoma. From the home office President G. S. Nollen, W. W. Jaeger, vice-president and director of agencies, and O. B. Jackman, superintendent of agencies were in attendance. They have been on a tour of the country, holding several district meetings. N. C. Tullos, agency manager at Dallas, is ill and the Dallas agency is temporarily being handled from the home office by Mr. Root. The convention discussed plans for policyholders' month in October, which is always stressed by the company.

Rommel Made Payroll Supervisor

Paul Rommel, well known life insurance man and manager of the Little Rock branch of the Jefferson Standard Life, has been appointed supervisor of the payroll deduction department of the Mississippi valley division of that company. He will have charge of the pay-

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roll activities of the branch offices at Little Rock, Memphis, Nashville, Knoxville, Oklahoma City and New Orleans.

Mr. Remmel has been manager of the Little Rock branch of the Jefferson Standard for the past four years. He received his insurance education under his uncle, the late Col. H. L. Remmel, who for 40 years was manager of the Mutual Life of New York.

Texas Associations Licensed

The Panhandle Mutual Aid Association of Miami, Tex., has been granted a charter by the Texas insurance board.

The board has relicensed these associations in compliance with the new state law: Plainview Mutual Life Insurance Association, Plainview; Home Benefit Association, Paris; West Mutual Benefit Association, West; Bryan Mutual Insurance Association, Bryan; Lo-Kost Insurance, Inc., Waxahatchie.

Kentucky Still Without Commissioner

In spite of an announcement by Clell Coleman, Kentucky state auditor, that Bush W. Allin would at once take the oath of office as insurance commissioner of Kentucky, under an appointment

made in March, effective April 1, Kentucky is still without an insurance commissioner. Arch L. Pulliam, former deputy, continues in charge as acting commissioner.

New Companies in Mississippi

Until a year ago the Lamar Life of Jackson was the only life company with home offices in Mississippi. The Stonewall Life of Vicksburg has since been organized and is now doing business.

Recently the Standard Life of Jackson was organized and is expected to enter the underwriting field before the end of the year. Offices will be in the new Standard Life building now under construction. In Meridian the Southern Central Life is being organized and recently the Mississippi Life & Casualty being promoted in Meridian was moved to Jackson, where completion of organization is under way.

Income Life Increases Capital

The Income Life of Louisville has filed amended articles of incorporation increasing its capital from \$250,000 to \$500,000.

PACIFIC COAST AND MOUNTAIN

NATIONAL LIFE MEN MEET

Western Agents Gather in Regional Convention at Portland, With Oregon Agency Host

A regional convention of the \$100,000 Club of the National Life, U.S.A., was held in Portland, Ore., for three days last week. The Combs agency, Bert Combs, manager, of Oregon, was host of the convention. Delegations from California were present, including General Agent H. Lester Arthur and a party from San Francisco, Mark Banta from Los Angeles, S. P. Willey of Oakland, D. C. McKee of Seattle and Ford Markham from Spokane. The home office party consisted of Stanley N. Randolph, Pacific Coast supervisor of agencies, and Walter E. Webb, executive vice-president.

The convention was brought to order by Supervisor Randolph. A. B. Combs, welcomed the convention to Oregon. Interesting talks were given by Biddle Combs, G. A. Atterbury, Al Boon and Jack Coulson. The banquet evening was featured by the address of Vice-President Webb, who outlined the company's plans for the coming year.

San Francisco Agent Leads

M. M. Adler of San Francisco, representative of the State Life of Indiana, led all the company's agents in August for personal production.

Mr. Adler wrote \$304,500 during the month. Mr. Adler specializes on business and trust fund life insurance and in writing many large cases on these forms.

His production, for 1929, to date, is in excess of \$700,000, which he expects to increase to over \$1,000,000 by Nov. 30, the expiration of the State Life's production year.

Mr. Adler is a member of the Arthur J. Hill California agency of the State Life, which led all the states, for August production, in which the company is represented.

Hollebaugh Gives Extension Course

For the third consecutive year, C. W. Hollebaugh, field secretary and director of sales training for the Western States Life, has been selected by the extension division of the University of California to give a course on life insurance. The course, which consists of 15 two-hour lectures, commenced Sept. 16 and was

attended by several hundred underwriters.

Mr. Hollebaugh, in addition to his other duties, is a member of the executive committee of the San Francisco Life Underwriters Association and chairman of that organization's educational committee.

Washington Life Plans Progressing

Preparations for the formal commencement of operations by the Washington Life of Seattle, which was launched in July by a group of prominent Pacific Northwest financiers and business men, are rapidly being completed. The company will start with \$1,000,000 capital.

Included in its directorate are some of the most successful men of the state of Washington, all closely associated in large financial affairs. They are T. A. Davies, president of the Ladysmith Coal Company, Pacific Fuel & Shipping Company, director in the Pacific National Bank and numerous other concerns, including the Associated Insurance Fund of San Francisco; Julius C. Lang, president of the National Grocery Company and other concerns; R. R. Frazier, president of the Washington Mutual Savings Bank; Dietrich Schmitz, president of the Pacific National Company, subsidiary of the Pacific National Bank, and many others of the same standing.

Young Addresses Equitable Men

Vash Young, member of the Equitable Life agency in New York City, addressed a combined meeting of the company's San Francisco and Oakland agencies Monday in San Francisco. Mr. Young, who is one of the leading producers of the company, writing well over \$2,000,000 business a year, was greeted with enthusiasm by the several hundred company representatives.

Ben F. Shapiro, manager of the San Francisco agency, presided at the meeting.

Bullock to Address Managers' Club

Chandler Bullock, president of the State Mutual Life, is to be the principal speaker before the first meeting of the newly organized General Agents & Life Managers Association of San Francisco Oct. 7.

Mr. Bullock, accompanied by Stephen Ireland, vice-president and superintendent of agencies, and Dr. Charles D. Wheeler, medical director, will arrive in San Francisco the latter part of Sep-

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LOW NET PREMIUMS AND A DIRECT HOME OFFICE CONNECTION, makes it possible for our general agents to render prompt service. We issue policies from birth to Age 64.

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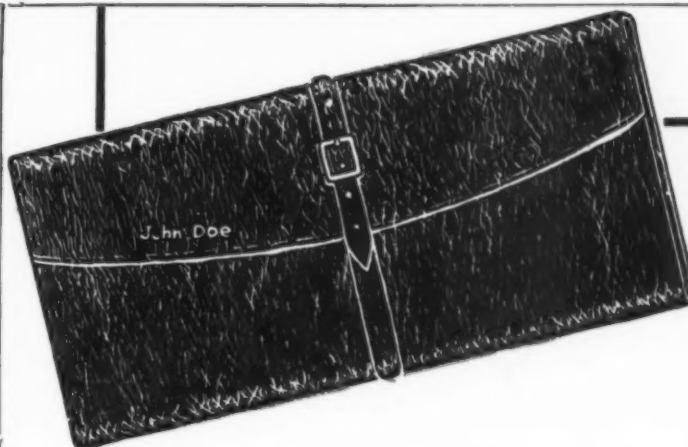


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C. R. BOARDMAN - PRES.

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Builders of Business

An Investment in Wallets
Will Pay Big Dividends

If you have not used Kaufmann Systeman Security Holders you have a pleasant surprise awaiting you. For Kaufmann wallets will help you build business just as it is building business for hundreds of others. The Kaufmann Wallet is the best leather container on the market designed to provide a place for insurance policies, bonds and other valuable papers.

Until you have used it to deliver those extra policies you have not made use of the biggest dollar for dollar life insurance business builder on the market today.

The standard size is \$2.25 and the large size, \$3.15. Quantity rate gladly furnished on application. Other wallets from 65c to \$5.00.

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Full line of Broad Coverage
Commercial Policies, Quick
Selling \$5.00 and \$10.00 Auto-
mobile Accident Policies and
Accident and Health Insurance
on the Monthly Premium and
Pay Order Plans.

GROUP LIFE INSURANCE AND GROUP ACCIDENT AND HEALTH INSURANCE



tember on an agency visit. While on the coast these officials plan to establish agencies in southern California and the Pacific Northwest.

Offices, with William R. Spinney as general agent, were recently opened in San Francisco.

Receiver Sued for \$579,304

W. R. Crawford has been named defendant in a \$579,304 suit filed at Seattle charging him with 15 years misuse of funds remaining from the Empire Life, which collapsed in 1913. Crawford, a prominent attorney, was a coreceiver for the firm until removed by federal order July 1. He is accused in superior

court by Irving N. Peeples, newly appointed receiver, with gross mismanagement of property and misappropriation of money in a detailed complaint of some 15 pages. The National Surety, which signed Crawford's bond, was named co-defendant in the amount of \$25,000.

Miller Receives Applications

J. M. Miller, agency secretary of the Mountain States Life of Hollywood, visited San Francisco recently and upon his arrival he was presented with \$50,000 in applications by Ernest Ribers, recently appointed San Francisco manager, with offices 410-411 Hobart building.

ACCIDENT AND HEALTH FIELD

MAY FORM NATIONAL GROUP

Detroit Accident Managers' Club to Consider Extension at Annual Meeting Next Month

DETROIT, Sept. 19.—It was fitting, appropriate and prophetic that the Accident Managers Club of Detroit should have been assigned the "Founder's Room" of the Book-Cadillac hotel as a gathering place for those of the attendants at the convention last week of the National Association of Insurance Agents who are interested or engaged in the accident insurance division.

Numbers of accident men dropped in to the club's convention headquarters during the week. The charter list includes names of active accident men from all parts of the country.

The matter of organization of a national body will be taken up at the annual meeting of the Detroit club next month and the charter list will remain open until then. Those desiring to enroll may communicate with John P. Collins, superintendent of agencies, National Casualty, Majestic building, Detroit. Only those engaged in the accident division in an executive capacity such as general agent, field man or official are eligible.

Ticket Policies Authorized

A law has been passed in Wisconsin

providing that airplane and bus ticket insurance policies may now be issued under the same arrangement as railroad health and accident policies. The railroad policies do not include all the provisions of the regular insurance policy, and this privilege has been extended to permit bus companies and airplane concerns to issue policies containing these general omissions.

Concerned Over Aviation Losses

SIoux CITY, IA., Sept. 19.—Inquiry made at the home office of a large accident company by a Sioux City agent, concerning broadening the present coverage for aviation accidents, produced the following reply: "The question of aviation is giving all companies writing accident insurance a good deal of cause for concern. Because of the increased interest in aviation, there have been more business men injured or killed in the last several months than ever before. The loss ratio on accident business steadily increases so that the records of the various companies show that they are losing money on accident business rather than making a profit. Whether eventually an additional premium will be charged for aviation coverage, we are not prepared to say."

Chicago Club Postpones Opening

The first fall luncheon meeting of the Accident & Health Managers Club of Chicago, originally set for Sept. 16, has been postponed for a week on account of the absence of so many members from the city and will be held at noon, Sept. 23, at the Palmer House.

NEWS OF THE FRATERALS

NEBRASKA INJUNCTION ISSUED

Hastings Court Restrains Officers of Modern Woodmen from Collecting Increased Rates

HASTINGS, NEB., Sept. 19.—Officers of the Modern Woodmen have been restrained by the district court here from attempting collection of increased rates, suspending members who won't pay the increase and from soliciting them to accept new options. The suit raises several new points of law. It is alleged that the new rates were never legally adopted, since the constitution and by-laws require that a record vote, by ballot, be taken in the head camp, upon the adoption of rate schedules, whereas this was voted on viva voce, section by section. It is further contended that even if the rates were lawfully adopted, they cannot be enforced because they are unreasonable. Citations are made of members whose rates will be increased 1600 percent, with many others as high as 1200 and 1400 percent. It is averred these constitute an impairment of the contract with members which while permitting increases, implies only those that are reasonable and necessary.

An attack is also made on the legality of the division of the membership in

such a way that the entire increase rests upon the 700,000 who joined before July 1, 1919, and affects none of the 420,000 who have since become members. It is also contended that the head camp seeks to divert the \$42,000,000 surplus into channels without authority to do so, this being entirely for the payment of death losses, whereas the new plan proposes to use more than half to meet obligations incurred under the offer to scale down members over 70 years, with \$200 paid up or cash surrender payments for each \$1,000.

MASS MEETING CALLED

LINCOLN, NEB., Sept. 19.—John L. Sundean, one of the faction leaders in Minneapolis, who is attempting to revive the old Woodmen national assembly that made the 1921 rate fight, has called a conference of leaders and a mass meeting of members for Lincoln on Sept. 28-29, with the object of planning to avoid duplication of lawsuits and to organize to take the case decided upon to the federal supreme court if necessary. Mr. Sundean has an organization equipped with lawyers, organization field men and a publicity agent. In a bulletin sent to Nebraskans he says that the case lost in the Illinois circuit court was so poorly prepared and presented that the judge had no other option than to decide for the order.

ASSOCIATIONS

BALTIMORE ELECTION HELD

H. H. McBratney Elected President—F. L. Wells, Retiring Head, Reports on Year's Work

BALTIMORE, Sept. 19.—At the annual meeting of the Baltimore Life Underwriters Association the election of officers resulted as follows: President, H. H. McBratney; vice-president, B. Leo Talley; secretary-treasurer, G. S. Robertson; executive committee, R. Earle Greenlee, Perrin H. Lowrey, George A. Myer, Arch W. Peake, Fred A. Savage, Jr., and Friend L. Wells.

Friend L. Wells, the retiring president, in reporting on the year's work said that the association started the year with 196 members at the time of his election, and he was handing over the reins of office with 272 members, which shows a nice increase. "The National association asked for an increase of 35 members," he said, "and we have given them an increase of over 100." The association has held two sales congresses the last two years, both of which have been profitable to the association financially, the latter one being especially profitable from an educational standpoint. In addition it has held its regular meetings, with speakers who have been interesting and instructive.

Chicago.—The Chicago association will hold its first annual field day at the Blum Country Club northwest of Chicago Oct. 1. The event will start at 1 p. m. following a luncheon. The site is ideal for golf and recreation as it is situated on the shores of Honey Lake and Grassy Lake. The association has decided upon a flat fee of \$5 to cover golf, fishing, tennis, horseshoe pitching and indoor baseball, followed by a seven-course dinner.

Los Angeles.—Honoring its past presidents, the September dinner-meeting of the Los Angeles association was designated as the silver anniversary of the organization. Vash Young, nationally known as an author, lecturer and prominent life underwriter with the Equitable of New York in its New York City agency, was on the program as the principal speaker.

San Francisco.—Parker S. Maddux, vice-president of the American Trust Company, was the principal speaker before the meeting of the San Francisco association Sept. 19. "The Mystery Partner" was the subject of Mr. Maddux' address, in which he told his audience not only how to write business but how to keep it on the books. E. DeBernardi, member of the Russ Building Agency of the Western States Life, provided musical entertainment. C. W. Hollebaugh, who arranged the program, acted as chairman of the day.

Buffalo, N. Y.—The Buffalo association was scheduled to resume its monthly luncheon meetings Sept. 18, with Dr. S. S. Huebner of the University of Pennsylvania on the program to discuss "Business Life Insurance."

The second annual inter-agency golf tournament of the Buffalo association was played Thursday afternoon of this week over the Grover Cleveland park course. The Buffalo "Times" is giving a cup to the agency having the low gross score for three of its agents.

Cleveland.—"On the Job and Happy" will be the subject of an address before the first fall meeting of the Cleveland association Friday noon by Robert J. Williams, manager of the Phoenix Mutual Life in New York City. Mr. Williams has been very successful in training men and for several years was educational director for the Union Central Life.

Peoria, Ill.—The Peoria association will hold its first fall meeting Friday evening, Sept. 20. S. J. Rosenblatt, general agent State Life of Indiana, Chicago, will be the principal speaker. He will

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talk on "Pointers to Life Insurance Men." Details of the sales congress to be held next month will be announced. R. L. Latta, president, will preside and dinner will be served at 6:30 promptly.

* * *

Wichita, Kan.—The Wichita association has resumed its luncheon meetings for the year. The first fall meeting was in charge of Jud Benson, the subject for discussion being "Program Insurance," led by H. J. Brown, John Schumacher and Nathan T. Knight. Delegates from the Wichita association to the national convention to be held in Washington, D. C., the week of Sept. 23 are John Henry Jones, H. Kenneth Cassidy and Irl B. Jackson. The first two named will attend a pre-convention session of the executive committee.

* * *

Indianapolis—The Indianapolis association is planning a big year. Monday the program committee, Herbert A. Lucky, chairman, met and passed upon a general program plan for meetings and other association activities. This was considered by a meeting of the board of directors of the association on Tuesday.

* * *

Rhode Island—Directors of the Rhode Island association met Monday to plan activities. Speakers are planned for each meeting and attractive entertainment is being offered.

* * *

Philadelphia—The Philadelphia association reports great interest is being manifested among members regarding the national convention in Washington and requests are being received daily for appointment as delegates. So far 35 delegates and two alternates have been named. The Philadelphia delegation will be headed by Thomas M. Scott, president, and James M. Blake, national committeeman. The first meeting of the year will be held Oct. 24. A. W. Moore, second vice-president, head of the program and entertainment committee, declares that his committee is arranging a "rip-snorting" program for that meeting.

* * *

Colorado—The Colorado association will have associate members. It was indicated Sept. 10 when the executive committee voted to amend by-laws and recommended adoption by the association.

* * *

McDonough County, Ill.—Another life underwriters association has been formed in Illinois, the McDonough County association. The following officers were elected: George Hulson, president; Percy Yard, secretary; Sam Dork, treasurer.

Monthly meetings will be held. A meeting was held at Macomb Thursday evening, at which was a full attendance. Ralph C. Lowes, president of the state association, was present and spoke on the advantages of an association and outlined steps necessary in order that the newly formed association might affiliate with the state association and also the National association.

Large Meeting on at Toronto

(CONTINUED FROM PAGE 3)

president of the American organization, gave a history of the body from the time the first conference was called in 1871 by Superintendent George W. Miller of New York, attended by 19 states. Colonel Dunham advocated an insurance tax on net premiums, with reinsurance subtracted. He said the time had come to modernize examination methods, for the checking up of minutia is a waste of effort.

The important governing features of a company should be investigated, he said. The average tenure of office of an American superintendent is four years. Arthur E. Fisher, president of the Canadian association, gave his address, saying that up to date most of the time had been employed in standardizing insurance contracts, especially fire, automobile, accident and health. A model life act had been constructed, uniform fraternal legislation had been passed, laws governing reciprocals had been put into effect and hail insurance laws established.

At this point Mr. McConkey closed the joint session, Colonel Dunham took charge and Secretary Joseph Button,

the guiding star of the convention, read the agenda.

The Canadian commissioners met Friday, Saturday and Monday. They were entertained Saturday noon at the Royal Yacht club by some of the Canadian companies.

Vice-President Leighton McCarthy, Canada Life, as a social curtain raiser, gave a dinner to all the commissioners present and a few special guests at the York club Monday evening. Short talks were made by Colonel Dunham and J. V. Barry. The officials of Toronto companies are most hospitable and have spared no time or expense in arranging for the comfort and enjoyment of the visitors.

The Equitable Life of New York had an agency convention in the hotel Monday and Tuesday, with 850 present. That clogged up the hotel machinery for the nonce but eventually all were accommodated.

Have Enjoyable Trip

The trip given Tuesday afternoon by the Independent Order of Foresters was especially pleasing. Down the lake half way to Hamilton is the Foresters' orphanage at Oakdale. The party was entertained there by Chief Ranger Hand and the executive council.

There is a larger attendance of company officials than ordinarily. It is predicted that there will be no change in the official personnel at the annual election Friday and that Colonel Dunham again will be chosen president.

Entertainment Features

The National Life of Toronto gave a luncheon at its office Tuesday noon. A bridge party was held in the evening and then at midnight the annual Pamunkey powwow was the center of attraction. Following the afternoon session Wednesday, Lieut. Gov. W. D. Ross gave a reception at the government house. At noon the ladies were entertained at a bridge luncheon at the Royal Yacht Club. Wednesday evening the banquet was the feature with General Manager T. G. McConkey of the Canada Life presiding. Prime Minister G. Howard Ferguson of Ontario and Commissioner H. P. Dunham of Connecticut were the speakers. The ball followed the banquet.

Following the business session Thursday morning the boat trip to Niagara Falls was scheduled with dinner at the refectory, the prime minister of Ontario being the host.

Interest in Disability Discussion

There was much interest in the Wednesday afternoon session as it was given over to a discussion of the disability clause. A number of company officials and actuaries were present. J. D. Craig of the Metropolitan Life headed the company committee. E. E. Rhodes of the Mutual Benefit was present to champion its plan.

Superintendent Albert Conway of New York presented his address on "Investments of Insurance Companies" Thursday morning as did Commissioner C. D. Livingston of Michigan on "The Agency Situation."

Deputy Insurance Superintendent Henry D. Appleton of New York is not at the insurance commissioners convention this year. He has been connected with the department since 1892. He has missed but two meetings of the commissioners in 40 years.

The actuarial committee that has been working with the New York department on the disability clause was present. It consists of J. D. Craig, Metropolitan Life, chairman; J. F. Little, Prudential; Arthur Hunter, New York Life, John M. Laird, Connecticut General, and A. T. Maclean, Massachusetts Mutual. Mr. Laird is also chairman of the American Life Convention committee on disability clause. He had a meeting of his committee at Toronto this week.

"What to Say," by J. B. Duryea, contains actual interviews of big successful life insurance salesmen. Price, \$1.50. Order from The National Underwriter.

WANTED— A MAN!

Possessing the following qualifications:

AGE 35 or over, seasoned and a producer.

THREE years of life insurance experience.

Must be personally acquainted with at least 25 life agents.

TO HIM— WE OFFER

—The Highest commission for low cost participating insurance.

—The services of an experienced field man, to help him in the field, appointing sub-agents, giving sales helps and to

"PUT HIM OVER"

Over \$100,000,000 in Force

We are particularly interested in Pennsylvania men. Write fully. We will not check references until after interview.

Address M-50, care The National Underwriter

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INSURANCE COMPANY
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is in a position to equip its Field Men in an unusually fine manner.

Among other things it offers:

1. Unexcelled Service
2. Non-medical Insurance—Males and Females
3. Insurance for Sub-standard Lives
4. Disability—Three Clauses
5. Double Indemnity
6. Salary Savings Insurance
7. Accident and Health Insurance
8. Age Limits on Examined Risks
9. Mail Advertising Service
10. Correspondence Course
11. Personal Contact
12. Guaranteed Low Premium Plan

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We Write All Standard Forms of Participating and Non-Participating Insurance Contracts and in Addition the Following SPECIALS

1. Ordinary Life Special \$5,000.
2. Personal Life Monthly Income for Rejected Risks.
3. The Best and Most Liberal Sub-Standard Facilities.
4. Children's Educational Policies age 1 day to 19 years.
5. Up-to-date Health and Accident Policies.

We welcome to our Ranks only serious-minded men of
character and integrity—men who are intent upon suc-
cess—and to whom we offer exceptionally liberal and pro-
fitable contracts.

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quainted with The National Underwriter, the real
insurance newspaper.

C. L. U. Degree Winners Given

(CONTINUED FROM PAGE 3)

gren, Northwestern Mutual Life, Chi-
cago; Ralph H. Love, Phoenix Mutual
Life, Boston; Clarence B. Metzger, E.
A. Woods Co., Pittsburgh; Henry J.
Meyer, Provident Mutual Life, Camden,
N. J.; Pendleton A. Miller, Equitable
Life of N. Y., Topeka, Kans.; Joseph P.
Mulder, Mutual Life of N. Y., Portland,
Ore.; Thomas G. Murrell, Travelers,
New Haven, Conn.

Assistant Dean Qualifies

David McCahan, assistant professor
of insurance, University of Pennsyl-
vania, and assistant dean, American
College of Life Underwriters; Carl Mc-
Cann, New England Mutual Life, In-
dianapolis; Floyd A. McCartney, Equi-
table Life of N. Y., Minneapolis; John
C. McNamara, Jr., Guardian Life, New
York City; William D. McNamara,
Guardian Life, New York City; Harry
C. McNamer, Union Central Life, Chi-
cago; Charles L. Post, Guardian Life,
New York City; Robert G. Richards,
agency secretary Atlantic Life; Theo-
dore M. Riehle, New York City; Fran-
cis DeSales Roach, Mutual Benefit
Life, Washington, D. C.; Kenneth D.
Robinson, Equitable Life of Iowa, Fort
Wayne, Ind.

George W. Schoeffel, Penn Mutual
Life, Portland, Ore.; Dwight T. Scott,
Mutual Benefit Life, Washington, D. C.;
A. N. Smith, 2nd, Northwestern Mutual
Life Insurance Co., Cleveland; Warren
H. Smith, New England Mutual Life,
Cleveland; H. Walter Strauss, North-
western Mutual Life, Cincinnati; Stuart
R. Strong, National Life of Vt., Port-
land, Ore.; Stephen B. Sweeney, assis-
tant professor of insurance, University
of Pennsylvania; Daniel T. Torrey,
Provident Mutual Life, Providence, R.
I.; D. Chester Warlow, Connecticut Gen-
eral Life, Philadelphia; Stanley H. Wat-
son, Equitable Life of N. Y., Cleve-
land; Ralph J. Wetzel, Pacific Mutual
Life, Kansas City, Mo.; Lawrence Wil-
let, Penn Mutual Life, Atlanta; Burt H.
Wulfekotter, Massachusetts Mutual
Life, Cincinnati.

Seven More Have Passed

According to the rules of the college,
university and college graduates are al-
lowed to take the examinations imme-
diately following their graduation, but
the C. L. U. diploma may not be con-
ferred until the completion of three
years of satisfactory life insurance ex-
perience. The following seven candi-
dates, coming under this group, have
passed all of the five examinations:
James A. DeForce, Mutual Benefit Life,
Washington, D. C.; Thomas W. Gal-
lagher, Penn Mutual Life, Philadelphia;
Paul De F. Hicks, Equitable Life of N.
Y., Pittsburgh; Margaret I. McCaughey,
John Hancock Mutual Life, Providence,
R. I.; William E. Owen, State Life of
Indiana, Alexandria, La.; Charles H.
Smith, Penn Mutual Life, Philadelphia;
Verne Steward, Provident Mutual Life,
Los Angeles.

The C. L. U. examinations may, if de-
sired, be taken in two installments, the
first installment covering the first three
examinations, and the second install-
ment, the last two. Either installment

may be taken first. A considerable
number of candidates availed themselves
of this privilege and the following 13
now possess full credit for one or the
other of the two installments: Ernest
S. Brown, Providence, R. I.; John R.
Cary, Richmond, Va.; Nelson F. Davis,
Jr., Philadelphia; Thomas A. Gallagher,
San Francisco; Nathaniel J. Goldsmith,
San Francisco; John H. Goodwin, San
Diego, Cal.; Joseph C. Hilliard, New
York City; Ernest E. Johnson, Pitts-
burgh; Ralph E. Larson, Madison, Wis.;
Herman Moss, Cleveland; William J.
Reese, Madison, Wis.; Winston H. Rob-
bins, Lafayette, Ind.; Donald Russell,
New York City; Wilson McK. Slick,
Johnstown, Pa.; Cletus M. Zaenglein,
Columbus, O.

Large Increase in Candidates

In all 157 applications for permission
to take the examinations (as contrasted
with 39 for the examinations of June,
1928, and 51 for examinations of De-
cember, 1928) were approved by the
board of admissions. Of this number,
114 (compared with 34 in June, 1928, and
32 in December, 1928) presented them-
selves for the examinations. These can-
didates represented 40 cities in 23 states,
the District of Columbia and China.
The examinations were held at the Uni-
versity of California, University of In-
diana, University of Kansas, University
of Minnesota, University of North Car-
olina, University of Oregon, University
of Pennsylvania, University of South-
ern California, University of Washing-
ton, University of Wisconsin, Georgia
School of Technology, University of
Buffalo, University of Chicago, Univer-
sity of Cincinnati, Detroit University,
University of Miami, New York Uni-
versity, University of Pittsburgh, Uni-
versity of Richmond, George Washing-
ton University, Northeastern University,
Providence, R. I., Purdue University,
Vanderbilt University, Western Reserve
University and St. John's University,
Shanghai, China.

Now 97 Chartered Life Underwriters

Combining the results of the three ex-
aminations held thus far, there are now
97 Chartered Life Underwriters as a re-
sult of the college's first 18 months of
operation. Eight additional candidates
have passed all of the examinations, but
awarding of the C. L. U. has been de-
ferred until completion of three years of
satisfactory life insurance experience.
Nine more candidates have passed four
of the five examinations, 16 have passed
three while 11 more have credit for two
examinations.

Semi-annual examinations have been
discontinued, and henceforth there will
be but one examination each year in the
latter part of June. Although the last
June examinations showed a large gain
over previous ones, all indications point
to a much larger number of candidates
for those which will be held through-
out the country June 19-21, 1930. Ninety-
three approved applications are already
on file and the number of inquiries is
very much larger than was the case
with previous examinations. All indi-
cations point to at least 300 candidates
for the June examinations of 1930.

Announce U. S. C. of C. Conference

The fall conference of the councilors,
officers, committeemen and department
managers of the United States Chamber
of Commerce will be held in Columbus,
O., Oct. 14-15. The insurance com-
mittee will meet Oct. 12. On that day
the various committees will meet. Man-
ager T. F. Cunneen of the insurance
department is at the Insurance Commis-
sioners convention at Toronto this week.

James M. Chappell

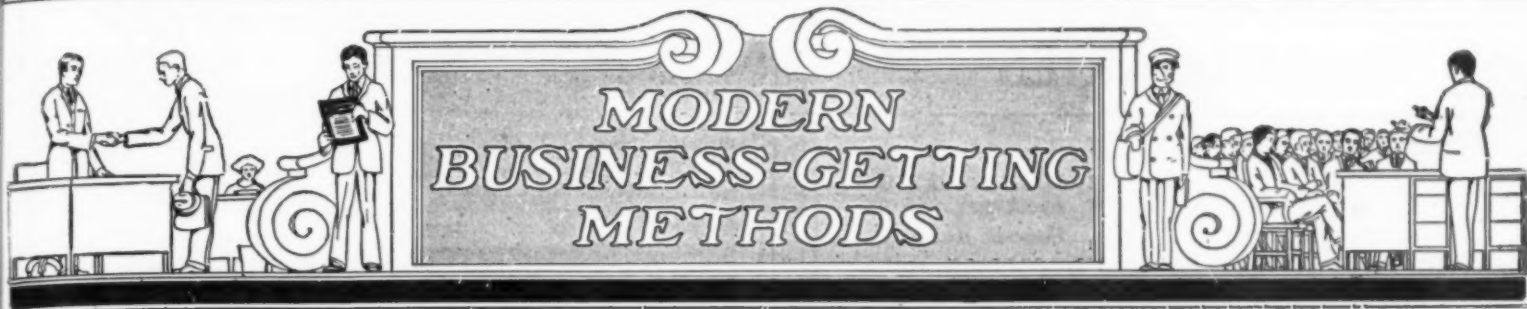
James M. Chappell, formerly general
agent at Louisville for the Inter-South-
ern Life, has been appointed manager
of the Louisville branch. He is an ex-
perienced life insurance man and was
with the Mutual Life of New York prior
to joining the Inter-Southern about a
year ago.

\$705,808.768

OF INSURANCE ON
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ON

AUGUST 15, 1929

THE LINCOLN NATIONAL LIFE INSURANCE COMPANY OF FT. WAYNE, IND.



Use of Additional Invaluable Selling Aid as Chief Difficulty in Making Sale Is Breaking Down First Barrier

By ALEXANDER E. PATTERSON
General Agent in Chicago for the Penn Mutual Life

A most significant statement was made recently by a prominent Chicago underwriter whose paid volume exceeds \$3,000,000 annually. He stated that 30 percent of his yearly production was procured by the studied use of additional contracts. And when we consider, does it not seem that such an example should be the usual, rather than the extreme, since the chief difficulty in negotiating a sale is breaking through the barrier of resistance set up by the prospect against doing what we wish him to do—what he should do—and do now? Once through that barrier there should be no argument against our using any legitimate method to place proportionate protection on his economic value.

Types of Prospects Fall Into Two Groups

In using additional, the types of prospects a man must handle usually fall into one of two groups: (1) Those who are positive that the order as given is final, or (2) those who leave the agent with a hopeful suspicion that they would listen to further suggestions. Men of both types have often been sold additional, the only difference being is that the positive group perhaps requires more study and isn't sold quite so often.

In approaching either type, a deliberate threefold analysis should be made

This is part of address given by Mr. Patterson at the Quebec meeting of the Penn Mutual agents.

by the underwriter. He should decide in advance upon, (1) his reasons for presentation, (2) his manner of presentation, and (3) the time for presentation.

Only Two Reasons for Refusing Additional

There are only two conditions which make it impossible for an underwriter to find reasons for presenting an additional; either the prospect positively cannot finance another contract, or he is fully and adequately insured, which almost never happens. A few of the possible reasons for additional are:

(1) To round out a policyholder's insurance program to an even amount, such as \$10,000, \$50,000 or \$100,000. A man likes best to think or talk of even numbers.

(2) To provide an educational policy—one which is all too seldom presented to a client.

(3) Where a client's program is on the "income plan" to increase the size of the income or again raise it to the next even figure.

(4) To take advantage of the full disability income if the amount is under \$25,000.

(5) To add \$500 or \$1,000 for care of last expenses where the insurance carried is small in amount.

Charitable Bequest Another Reason for Addition

(6) To have a small contract as a charitable bequest, to the man's college, fraternity, or some organization such

as the boy scouts or similar organization in which he is interested.

(7) To cover a mortgage, banking obligations, or other debts. Often these are disclosed in the first interview.

(8) To provide a Christmas or anniversary gift to pay a small amount on a specified day each year.

(9) In addition to providing for the immediate family or dependents, to leave a bequest for an aged mother, a sister, nieces, or other relatives.

(10) To provide a bequest to employees of long standing in either office or home.

Manner of Presentation Most Important Factor

The manner of presenting an additional is perhaps the most important factor. Again it varies with the individual case, but a few features must be standard. It should be clearly and forcibly declared in the beginning of the interview concerning an additional, that the prospect is in no way whatsoever under the slightest obligation to buy this additional contract. The point is vitally important and should be reiterated time after time during the interview. The prospect must be made to understand that the contract has merely been placed before him with a view of getting an option on it from the company for him to take advantage of if he shall wish it. The agent should explain why he thought the client should want it, and say that he could not suggest it until he had first ascertained from his company that he could really get it. Should the necessity arise, the underwriter can mention the additional time the purchaser may have to exercise his option without the slightest obligation on his part. Business men of today are accustomed to having options on property, stock, rights, etc. It is nothing new to the average man. None of this need be said in a shilly-shally or apologetic way—if the reasons for presentation are clear, a straight-forward,

Urges Additional



ALEXANDER E. PATTEN
Chicago General Agent Penn Mutual

ward, business-like attitude will result which cannot fail to convince the policyholder of the agent's sincerity in believing in the need for more insurance.

Different Plans for Delivery Are Outlined

The intelligent use of "additional" will increase sales, whether they be small or large. The size of the case is unimportant from a fundamental standpoint. The principles involved are identical. Plans for delivery might include:

(1) The straight out and out presentation of the contract with reasons why it

A POLICY YOU CAN SELL

Our Company offers complete protection.

\$5,000

ALL IN ONE POLICY

Any natural death \$ 5,000
Any accidental death 10,000
Certain accidental deaths 15,000
Accident Benefits \$50 per WEEK for fifty-two weeks
\$25 per WEEK thereafter (non-cancellable)
Disability Income, Waiver of Premiums, etc.

Also \$5,000 "Preferred Risk" Policy—high value—low premiums; age 35, \$19.91 per \$1,000. Endowment Age 85—Juveniles age 10 years and upward—Monthly Income—Non-medical.

Insures and assures your client's future and yours.

Are you interested in an agency? Our Vice-President Eugene E. Reed, will tell you all about it. Write him direct . . . and directly.

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**Just Reinsurance
That's All**



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Colcord Bldg. OKLAHOMA CITY

ARE YOU AWAKE TO OPPORTUNITY

Life Insurance Men of Vision Know That the Greatest Opportunity

Is with the Company That Is
NOT TOO LARGE NOT TOO OLD
NOT TOO SMALL NOT TOO YOUNG

The Solid Growing Company Officered by Men Who Are Agency Minded

WE HAVE THE TOOLS

Participating and Non-Participating Policies—Men and Women on Equal Terms—Total Disability and Double Indemnity

Circularization Aids—Supervisor's Help—Direct Contracts, Human Relations, Liberal Contracts and Special Producer's Clubs

If You Are Ready for a General Agency There Is Desirable Territory Open in
IOWA—NEBRASKA—MINNESOTA—AND SOUTH DAKOTA

THE OLD LINE CEDAR RAPIDS LIFE INSURANCE COMPANY

Jay C. Sigmund—Vice-Pres. & Agency Director
COL. C. B. ROBBINS, Pres. C. B. SVOBODA, Secy.
CEDAR RAPIDS, IOWA

GLOBE LIFE INSURANCE CO. OF ILLINOIS

431 S. Dearborn St.

Chicago

POSE BARRY DIETZ
President

WM. J. ALEXANDER
Secretary

Successor to

GLOBE MUTUAL LIFE INSURANCE CO.

INCORPORATED 1895

T. F. BARRY, Founder

should be considered.

(2) The use of the splendid letter prepared by Mr. Adam of the home office when presenting the contract for delivery.

Use of Alternate Requires Especial Tact

(3) If the underwriter has certain intimate knowledge of the applicant, this can be tactfully used by the general agent in a letter to the underwriter. The letter directs him to call upon the applicant to present the additional, with specific instructions to report to the general agent immediately the result of his interview. This should relieve the underwriter of any embarrassment in submitting the additional to his client. The use of this letter has been found most effective.

(4) The use of the so-called "alternate" where only one contract is used for the larger amount. For example, if 10 is being considered, present the "alternate" for 15. This requires especial tact in handling.

(5) Having the general agent or supervisor phone the client requesting the interview for the underwriter at the general agents request, to submit the additional contract.

Must Determine Psychological Moment

It is in deciding the time for presentation of the additional that most of the concern occurs—in each particular instance, just when is the psychological moment? In some cases, the additional policy may be presented for consideration at the same interview during which the original policy is placed; again on others it is better to wait a week or two, or sometimes until the end of the 60-day period. Many a man takes additional policies in his pocket intending to try to place them but gets psychic enough at the interview to realize the time is only right to wait till the next interview. This "timing" is only a matter of using good judgment after having sized up the situation. Fortunately, here again experience is the best teacher, and practice makes perfect. The effort put in on presenting any additional is not lost if only it helps one get the "feeling" of that proper timing. Generally speaking, it is believed that a week or 10 days after the actual delivery interview is the best time to present an additional policy. Local conditions will also govern.

Life Presidents' Plans Announced

(CONTINUED FROM PAGE 4)

systems in the country is expected to contribute toward the development of the convention's theme from his own broad experience. A senior executive of a public utility corporation—an organization which has set an example in the way of aiding its employees—will tell of the operation of his company's welfare plans. An ex-president of a well-known university will disclose something about one of the most far-reaching research projects ever undertaken in this country. Geographical distribution and variety of interest as to the speakers gracing the occasion will inevitably bring enlarged viewpoints to all who attend.

Judged Most Valuable Producer

Thomas I. Ramer, of Wilkes-Barre, has been adjudged the most valuable producer of the Lincoln National Life for 1928. The award is based on the volume of business produced during 1928 and the persistency of business written during 1927.

Scoring after Mr. Ramer in the following order were: L. R. Lay, J. S. Touchstone, and C. B. Rittenberry of Texas; J. W. Bailey of Indiana; W. B. Salisbury of New Jersey; O. D. Douglas of Texas; Mrs. Z. Z. Brown of Indiana; H. E. Campbell and A. I. Ostrov of Ohio.

American Life Plans Complete

(CONTINUED FROM PAGE 5)

"The Effect of Failure to Give Notice of Disability Due to Total Incapacity to Act in the Matter," Julius C. Smith, of Brooks, Parker, Smith & Wharton, general counsel Jefferson Standard Life.

Discussion.
Evening—Stag Dinner, Cincinnati Country Club.

OCT. 16, 10 A. M.

Address of Welcome, Charles Younger, Ohio Superintendent of Insurance.

Address of President, Clarence Ayres, president American Life of Detroit.

Message, Calvin Coolidge, ex-President of the United States; director New York Life.

Greetings, Association of Life Insurance Presidents, National Association of Life Underwriters, and United States Chamber of Commerce.

Report of Secretary, Claris Adams, secretary and general counsel.

AFTERNOON—2:00 O'Clock

"This Modern Age," Walter Head, President State Bank of Chicago.

Home Office Management Section

"Budgeting in a Life Insurance Company," Philip Burnet, president Continental American Life.

"The General Problem of Home Office Management," Edward E. Reid, managing director London Life.

EVENING—8:00 O'Clock

Financial Section

"Managing Farms," C. G. Wortham, supervisor farm loans Connecticut General Life.

Business session and election of officers.

Home Office Management Section

"A New Accounting System Between Home Office and Field," G. W. Skilton, comptroller Connecticut General Life.

Business session and election of officers.

Agency Section

Round table discussion, business session and election of officers.

OCT. 17, 9:30 A. M.

"The Home Office and Its Agency Department," H. H. Armstrong, vice-president Travelers.

Discussion, E. S. Albritton, vice-president and manager of agencies, Southern States Life; James A. McVoy, president Central States Life.

"What Shall We Do for the Agent-Aside Giving Him a Contract and a Book?" W. W. Jaeger, vice-president and manager of agencies Bankers Life of Iowa.

Discussion, J. J. Moriarity, vice-president Missouri State Life; Ted M. Simmons, manager United States agencies Pan-American Life.

AFTERNOON—2:00 O'Clock

"Life Insurance in the National Business Structure," Leroy A. Lincoln, first vice-president and general counsel Metropolitan Life.

Financial Section

"Should the Portfolio of a Life Insurance Company Include Common Stock?" R. H. Loomis, of Shaw, Loomis & Sayles Boston.

"The Investment of Policyholders' Legal Reserve Life Funds," H. B. Arnold, president Midland Mutual Life.

Discussion.
Evening—7 o'clock, Dinner Dance.

OCT. 18, 9:30 A. M.

"Should We Exclude the Aviation Hazard?" C. B. Robbins, president Cedar Rapids Life.

"Four Years' Experience With Life Insurance Without Medical Examination," Franklin B. Mead, vice-president Lincoln National Life.

"The Disability Problem," H. W. Dismann, vice-president, Continental Assurance.

AFTERNOON—2:00 O'Clock

Executive Session

Discussion of papers, reports of committees, transaction of business and election of officers.

Lamar Life Reports Gain

The Lamar Life reports an increase of 72 percent in new business in August compared with the same month last year. The gain for the first eight months was 28 percent.

Re-finance Man Available

The services of a man are now available who has just completed a successful job of re-financing a group of companies. Experienced in re-financing work and desires connection with an organization contemplating such work. 25 years experience in home office and field. Address N-48, care The National Underwriter.

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American National Insurance Company

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\$568,557,042.00 INSURANCE IN FORCE

We Have Openings for Live Men in

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Kentucky	North Carolina	West Virginia
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Under Direct Home Office Contracts

**ORDINARY—INDUSTRIAL
GROUP—HEALTH AND ACCIDENT**

Liberal First Year and Renewal Commissions
Up to Date Policies—Non Medical—Group and Special Low
Premium Plans Offering New and Attractive Features.

If Interested Address

AMERICAN NATIONAL INSURANCE CO.
GALVESTON, TEXAS

A YEAR OF SIGNIFICANT PROGRESS

73%

**Increase in New
Paid for Insurance in
New York City in 1928**

**HOME LIFE INSURANCE COMPANY
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You will like our liberal first-year and renewal commission contract direct with the home office. It gives you the right to sell men, women, and children real protection on a low-cost participating or non-participating basis.

Just glance over this list:

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Non-Participating	Child's Educational	Low Cost Term
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Preferred Risk	6% Guaranteed	Disability Income
Pay-Roll Deduction	Income	Premium Waiver
Monthly Premium	Life Income	5% on Policy
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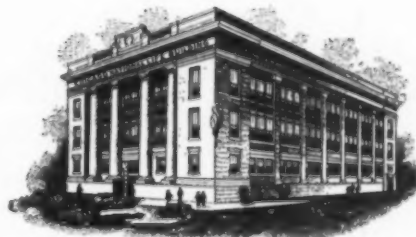
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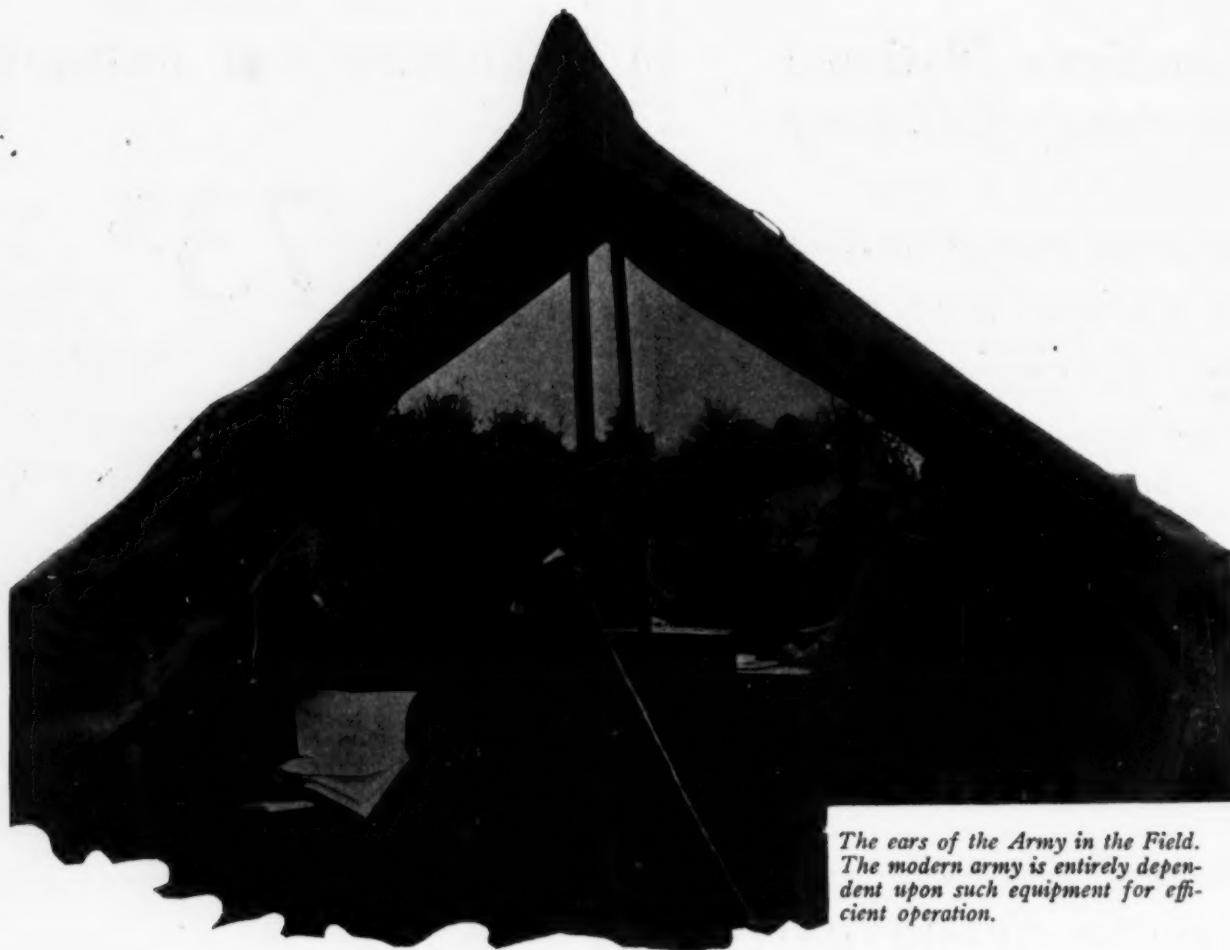
We are only seven years old, with over \$90,000,000.00 Insurance in force. Why not connect with us now? You will, no doubt, wish to eventually. Excellent territory and a splendid chance for promotion. Address all communications, giving references, to

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*The ears of the Army in the Field.
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The Peoples Life maintains an unusual degree of personal contact with its agents. Its method, its close knit organization, and its concentrated territory all contribute to this end.

You'll like The Peoples Life—the company that does more for its agents.

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CHICAGO, ILLINOIS.**

**Seymour Stedman, President.
G.L. Lutterloh, Secretary**

1st Convention Daily

The National Underwriter

LIFE INSURANCE EDITION

WEDNESDAY, SEPTEMBER 25, 1929

*Welcome
Life Underwriters!*

AN INVITATION

ACACIA heartily welcomes you to your nation's capital and cordially extends to you the hospitality of its magnificent new Temple of Service and the facilities of its Acacia Club.

Here you may see one of the country's finest home office buildings; view the grandeur of Washington's sky line from Acacia's delightful roof garden; enjoy the restful atmosphere of our luxuriously appointed club rooms; make your train reservations or arrange for sight-seeing tours or any other service Acacia can render you.

Just tell the young lady at the Information Desk that you are a Life Underwriter. We assure you of a hearty welcome and our best efforts for a pleasant visit.

W. Montgomery
President

SEP 28 1929



Acacia's Temple of Service

IN a few years ACACIA has passed from the end of the procession to a position of leadership. It now ranks 35th in size among all the companies doing business in the United States and only 25 companies gained more insurance last year.

ACACIA'S leadership is all the more remarkable because it has been achieved in a limited field. Membership is confined to a select group of men and brokerage business, reinsurance, group or other wholesale business is not accepted.

The acid-test of a company's popularity with its policyholders is in NET GAIN.—In this respect, ACACIA is an outstanding leader.

ACACIA MUTUAL LIFE ASSOCIATION

WM. MONTGOMERY, President

HOME OFFICE - 101 INDIANA AVE.

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WITHIN the organization of the Massachusetts Mutual there is a "tie that binds" the Home Office and the Field in a very close relationship. We are all friendly co-workers. Ask any man or woman who represents the Company if this is not so and you will be assured that this relationship is a striking characteristic of the institution.

Policy contracts of the finest quality; a satisfactorily low net cost; real service to policyholders and beneficiaries; steadily increasing and widening prestige; a consistently progressive attitude—these are some of the other attractions that this old New England Company offers to the life underwriter.

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Massachusetts Mutual Life Insurance Company

Springfield, Massachusetts Organized 1851

More than a Billion and Three-Quarters of Insurance in Force

MISSOURI STATE LIFE

The Progressive Company



THE Missouri State Life is rapidly nearing the "Billion and a Quarter" mark in amount of insurance in force. Through its progressive ideas and hearty cooperation with field representatives, it has risen to a position of rank and leadership which many other companies twice its age have not yet attained. Progressive agents like the progressive methods of the Missouri State Life. It is happy to be recognized as an Agent's Company.

HILLSMAN TAYLOR, PRESIDENT
St. Louis, Missouri



Admitted Assets Over
\$131,000,000.00

Insurance In Force Over
\$1,210,000,000.00

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of The United States of America

ALBERT M. JOHNSON
Chairman of the Board

Established 1868

ROBERT D. LAY
President



Primarily A Field Man's Company Because:

It provides producers with

First—Complete sales training course—That Trains!

Second—Complete kit of up-to-the-minute policies—low guaranteed cost—combined Life, Accident and Health—Non-Medical—Sub-standard.

It provides Agency Managers

First—Practical Recruiting Plans—That Recruit!
Practical Supervising Plans that bring results.

Second—Definite, tangible Home Office cooperation in Building and Retaining profitable organization.

Personal producers and Agency Managers alike succeed with the National Life Insurance Co. of the U. S. A.

It is directed by men who through years of practical experience understand the field man's problems.

It has assets of \$60,000,000.

Insurance in force \$300,000,000.

If you wish to capitalize fully on your ability and energy applied to a successful life insurance career,

Address Walter E. Webb, Vice President

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A FINE OLD COMPANY FOR AMBITIOUS YOUNG MEN

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Midland Life
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NATIONAL FIDELITY LIFE



From The Heart of America GREETINGS!

"Come Again!"—our parting words three years ago when the National Life Convention was held in Kansas City.

"Come Again!"—our standing invitation to the National Life Convention.

In sending our greetings and assurance of our hearty support of the National Association of Life Underwriters, we want to reiterate again our invitation to the National Life Convention to come again to Kansas City not years hence but soon.

We want it understood that the latch key is always out—that there is a standing invitation to the life insurance men of America to come as often as they desire and to stay as long as they like in Kansas City.

Business Men's Assurance Company of America
W.J. Grant ~ President

Kansas City Life Insurance Company
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Lead Production Plans	Effective Literature	A great Sales Kit	Liberal Contract
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A great Agents Magazine	Square Deal.	Splendid Opening	Exceptional Home Office Service
Thorough Training Course	Practical Agents Manual	Wide range of prospects	Many Selling Aids.

The Lincoln National Life Insurance Company is

I a guaranteed low cost ordinary life company,
 I with more than 705 Millions of insurance in force;
 I it is aggressive, progressive, human and friendly,
 I strong and ably managed;
 I absolutely safe and
 I is rapidly growing.....

Men who can measure up to LNL standards are invited to write for a copy of "The Lincoln Life Man". The expansion program now under way has created desirable openings for men who can produce and grow.....

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ITS NAME INDICATES ITS CHARACTER

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the live agent. Here
are thousands of
prospects. Men are engaged
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men to be reached. Chicago
has men of high position and
great resources. Then life in-
surance work needs agents
who can get those of more
modest income. There are
clerks and wage earners to be
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Others can succeed in a simi-
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to men of vision.

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*Four Decades
of the*
**NATIONAL
ASSOCIATION of
LIFE UNDERWRITERS**

Today Life Insurance is one of our major social institutions, comparable to any other of that group which "have helped man to lift himself from a bewildered animal, at the mercy of fate, to a thinking being, who takes care for the morrow and exercises considerable control over his destiny."

These words, written the other day by a well-known social psychologist, would have been so far from the truth in 1889, when the Association was founded, that they would have been meaningless, if not absurd.

Today, with half the population insured, they are absolutely true—a result due in very large part to the influence of the Association.

The betterment and strengthening of the Agency personnel of the whole country, during the four decades of its existence, can never be fully measured nor adequately expressed. But it has been constant, all-pervasive, constructive and invaluable.

In addition to the New England Mutual, Boston gave another good gift to American Life Insurance when the Association was born here forty years ago!

**New England Mutual Life
Insurance Company**

87 Milk Street, Boston

*Oldest Chartered Life Insurance Company in
America—the First Mutal, 1835*

Is This What You Want?

A company of today alive to the needs of tomorrow.

A company that recognizes its obligations to its agents as well as its policyholders.

A company that sells guaranteed cost life insurance exclusively pays no dividends to selfishness.

A company with a **real** substandard department.

A company whose potential clientele ranges from age one day to sixty-five years.

A company whose financial strength is second to none.

A General Agency company.

*An inquiry may be the turning point
in your business life.*

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Commercial National Bank Building
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for two or three
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NEW ENGLAND COMPANIES
have always stood out prominently as bulwarks of safety in life insurance. In fact, New England is a synonym for dependable protection. New England laws and New England state supervision are recognized the country over as exemplars. The Chicago agencies of New England companies have taken special pride in being able to carry the banner of sound life insurance to the people of that great city.



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Exceptional Opportunities
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"PILOT'S Debt to AVIATION"

Best wishes to members of the National Association for a successful gathering. Now for the second hundred billion!



Every day of the year, in the news of the world, intrepid Pilots are keeping alive the significance of that title.

To these pioneers of the air, PILOT LIFE owes a debt of tremendous scope. It has made the title "Pilot" a household word that is said and re-said in the hum of the family circle.

And, while these same adventurers press forward with astounding progress the span of aviations' influence, they keep ever before a watching world the need of adequate insurance protection.

T. D. BLAIR, *Agency Manager*

There are splendid opportunities for life underwriters, seeking a general agency of their own, to become Life Insurance Pilots throughout the awakened South.



PILOT LIFE INSURANCE COMPANY

GREENSBORO, N.C. A.W. McALISTER, PRES.

The National Underwriter

LIFE INSURANCE EDITION

Plan for "Second Hundred Billion"

Record Crowd at Initial Session

National Association Convention
Opens With Scene of Great
Enthusiasm

NOTABLES ON PROGRAM

Strong Galaxy of Speakers Holds
Attention of Those in At-
tendance at Meeting

Convention Headquarters,
Mayflower Hotel, Washington, Sept. 25.

The greatest convention in the history of the National Association of Life Underwriters opened Wednesday morning with the gavel in the hand of President Paul F. Clark and the convention hall filled to capacity. Reflections of the year's progress were evident throughout the opening session and the great ambitions for the future were voiced by Mr. Clark and his fellow leaders.

Following the call to order by President Clark and the invocation by Rev. W. Coleman Nevils, president of George town University, the address of welcome was given by Harold D. Kraft, president of the Life Underwriters Association of the District of Columbia. Mr. Kraft told of the growth of Washington and its effectiveness as the heart of all activities of the nation, a fitting place for the greatest gathering of the association ever held. He welcomed the delegates on behalf of the agents and offered their "key to the city" for the three days. Another welcome was extended by Sidney F. Taliaferro, insurance commissioner of the district, representing officialdom in Washington. Mr. Taliaferro, more recently a lawyer, but formerly an insurance agent, spoke in glowing terms of the business and welcomed its representatives to the city.

Tribute was paid to George D. Alder, past president, and Charles A. Foehl, treasurer, both of whom died during the year. Mr. Clark spoke of their long service in the business and in association activity and special tribute being given by Jonathan K. Voshell, for Mr. Alder, and Robert L. Jones, present treasurer, for Mr. Foehl. The convention stood in silent tribute following the presentation of these memorials.

President Clark Reviews Accomplishments of Year

President Paul F. Clark in his opening address reviewed the accomplishments of the past year, laying special stress on the great gain in membership as a result of the aggressive campaign which has been conducted and listing the progress made in association activities along various other lines.

In discussing "The Market for the Second Billion," Walton L. Crocker, president of the John Hancock Mutual Life, told of a number of recent developments which have extended the field for life insurance sales and pointed out how the life underwriter can take advantage of these opportunities. He also paid high tribute to the work of the Chamber of Commerce of the United

Presides Over Convention



PAUL F. CLARK
President, National Association of Life Underwriters

States, of which he is a director, in bringing together the representatives of business from various fields, and extended greetings from that organization.

Clark Gives Essentials for Increasing Production

Jerome Clark, superintendent of agents of the Union Central Life, speaking on "Creating the Second Hundred Billion," listed these as the main essentials for increasing the production of the individual producer: Improvement in technique, thoroughness and leadership. He presented some rather startling figures as to what an increase of even 10 per cent in the average man's production would mean to the business as a whole.

Dr. C. E. Albright of Milwaukee, premier producer for the Northwestern Mutual Life, who has placed more than \$50,000,000 of life insurance in that one

company in 24 years' time, gave some of the conclusions which he has reached as a result of his experience. He regards winning the confidence of the prospect as the major factor in making sales and presented some of the points which assist especially in accomplishing that end, with illustrations from his own experience.

Harold A. Ley, president of the Life Extension Institute, told of the circumstances under which that organization was formed and the savings to the companies which had been effected, and could be effected, through periodical examinations of policyholders.

Propose Committee to Cooperate with Lawyers

The executive committee held an all-day session Tuesday, hearing the annual reports of all of the committees and (Continued on page 20)

Toronto to Get 1930 Convention

Selection for Next Year's Meeting
Approved by National Ex-
ecutive Committee

JOIN WITH CANADIANS

Sept. 24-26 Announced as Tentative
Dates—Board of Trustees to
Arrange Final Details

Convention Headquarters,
Mayflower Hotel, Washington, Sept. 25.

Toronto, Canada, is to be the meeting place for the next annual convention of the National Association of Life Underwriters, a joint session to be held there with the Life Underwriters Association of Canada, and Sept. 24-26 will be the tentative dates. This was decided at the annual meeting of the executive committee of the National association Tuesday morning, the recommendation of the board of trustees to this effect being unanimously adopted. No other invitations were extended, as it is customary to hold the eighth year meetings in Canada.

Two International Meetings There Before

Toronto is an old meeting place of the organization, two prior international meetings having been held there, the last one eight years ago, but it is a vastly improved convention city, the proposed convention headquarters, the Royal York Hotel, being one of the new gigantic hostleries which have been erected across the northern border.

The invitation to meet in Toronto next year was extended by the Toronto association, the executive secretary of which, L. W. Dunstall, was present and spoke briefly of the desire of his associates to have the international gathering in his city in 1930. The invitation had already been accepted by the Canadian association, as well as the tentative dates, and the National association executive committee at once approved this, leaving the definite date to the judgment of the board of trustees.

Toronto Recommended by International Council

The acceptance of the Toronto invitation was strongly urged on the executive committee by the International Council, John Newton Russell, chairman. Its report said in that connection:

"We heartily recommend that our association accept the invitation of the Life Underwriters Association of Canada and join with them in an international convention in Canada next year. There has been considerable discussion as to the place of meeting, Montreal or Quebec being decidedly in favor with (Continued on page 20)

Clark Reviews Work of Year

National Association President
Tells How Far Objectives
Have Been Reached

GREAT MEMBERSHIP GAIN

Results in Other Lines of Activity Are
Recounted—Progress Made in
Many Directions

By PAUL F. CLARK

When this association honored me with the office of president at Detroit a year ago, I outlined briefly certain ambitions which I had for this administration. These objectives and the maintenance and improvement of the regular work of the association, together with important matters which have developed as the year progressed have received the careful attention and entire effort of the employed staff of the association, as well as the best thought and assistance of all of the elected officers and the fine body of trustees with whom it has been my privilege to work throughout the year. We miss greatly from this group Charles A. Foehl, our beloved treasurer, and George D. Alder, trustee and former president, so highly regarded by all of us. Recognition of these men will be included in our program at a later period. We have been particularly fortunate in again inducing Robert L. Jones to serve as treasurer since the death of Charles Foehl. His help and counsel have been greatly appreciated.

Objectives of This Administration Reviewed

It has not taken me a whole year to discover that some of my ambitions in Detroit covered matters which national presidents will probably include in their objectives 25 or 30 years hence. This makes me feel very humble as to the achievements of the past year, so far as I am concerned; and yet I take comfort in the thought that we included some of the perennial objectives in our official program and that as to several of them we can report progress. I shall take up in order first the ambitions of this administration and then allude to other matters which have kept the officers and staff of the National association very busy during the past year, and, finally, call your attention to the aims and plans for this convention, which we hope will be one of the most successful ever held by our association.

Membership Campaign Meets with Success

One of the first objectives of this administration was to increase our membership, and this I am glad to say has been done. We closed the year ending June 30 with 18,180 members as compared with 14,648 on June 30, 1928. This is the largest membership in the entire history of the National association, exceeding by 937 the previous record of 17,243 on June 30, 1920. This membership is divided among 216 local associations which on Sept. 10 had increased to 230, the greatest number of locals in the history of our organization. At this date we are in the nineteen thousands as to membership and before the convention adjourns we expect, with your help, to reach the 20,000 mark. Twenty thousand is our goal and I am sure you will be as eager as I am to reach it before final adjournment.

But we must conserve this gain by reducing the lapse rate which has often

Company Executives Speakers



WALTON L. CROCKER
President John Hancock Mutual Life



THOMAS I. PARKINSON
President Equitable Life of New York

followed such an increase in membership. After our big increase in 1920 we lost nearly four thousand members the following year. Every member of the National association whether present at this convention or not can help to conserve this gain in connection with further efforts to increase the membership which should be undertaken during the coming year.

Managing Director Hull and the entire employed force of the National association deserve much credit for the success of our membership campaign; so do the colonels and majors who did such valiant service throughout the field. It was, however, the able leadership, the untiring effort and splendid enthusiasm of Vice-president George W. Ayars of Los Angeles which led our forces to this great victory. We are all under great obligations to him for this outstanding piece of unselfish service.

At this time I should like to mention the wonderful showing made by the Boston association, whose increase in membership puts them in second place, and I think you will agree that I have a right to be proud of their achievement. If time permitted, I would like to mention also many other associations that have made notable records.

Machinery for National Advertising Campaign

Institutional advertising, another of our objectives, has been most ably handled by Julian S. Myrick, chairman of that committee. I think we can now say that we have set up our part of the necessary machinery to lead up to a national campaign advertising life insurance. Our executive committee and many local associations have unanimously endorsed the idea. But it remains for the companies to determine their position, and we must await their decision before anything can be finally accomplished on a very broad basis. Believing as we do that such action is possible, though difficult to work out in detail, I think our only attitude should be that of standing ready to do our part in every way, meanwhile making such local advances as we can, which are certainly justified by local success when carefully planned and executed.

A very definite step in the direction of better advertising is the selection of a suitable slogan and emblem. You know of Julian Myrick's generous offer of an award for the best suggestion. As a result, a special committee consisting of Frank L. Jones, Claris Adams and my-

self was appointed to pass on the suggestions which were sent in from all parts of the country to the number of more than one hundred. Whether the convention will approve the selection of the slogan and emblem which this committee feels worthy of the Myrick award or not is a matter for them to decide. I hope that either by such approval or by the appointment of a special committee to report later to the convention, this important step may be finally consummated.

National and Local Relationship

We have had considerable success in establishing a closer relationship between the national and the local associations in the past year. In our membership work, the use of the Riehle brochure was a feature in this direction and one which should be followed by similar helps from year to year. We are greatly indebted to Theodore M. Riehle for preparing and contributing to the association his excellent plans for the selling of business life insurance, and I am sure many in our membership will long cherish their copy of Ted Riehle's booklet.

Managing Director Hull informs me that at least 10,000 letters, personally signed at the New York office, went to individual members of the association, probably four or five times as many as in any previous year. And I say this in no disparagement of the past, but to encourage individual members to feel that they have a central organization to which they can appeal personally. I do not want to unnecessarily increase the cost of postal and stenographic service at the New York office, but I believe every member of our organization will find some point during each year where information or suggestions from the National association and its staff would be helpful.

State Associations Increasingly Active

It has seemed that several of the state-wide associations have been increasingly active during the past year, not only upon specific legislative policies and problems, but in the development of membership in their respective territory. We have appreciated these evidences of increased cooperation on the part of state associations and we desire and hope for even closer affiliation with these bodies. We want the officers of the state associations to feel that we are

working toward a closer union of our joint efforts.

It has been my pleasure to speak during the year before 14 of our local associations and I only regret that it was not possible to visit many more. I believe, however, that the tendency to relieve our national presidents of the travelling and public speaking which was customary with our distinguished presidents of past years, is an excellent idea, not only in fairness to their own agencies and companies but also because, as the association grows larger, the really executive duties of the president will become increasingly greater and it would seem that he should not spend too much of his time and strength in travelling through the country. I insert this word partly in the interest of those who shall be elected to the office of president in the future and believe you will approve it as you consider the increasing responsibilities of our association and the consequent executive questions which arise during the year.

Progress Made by American College

The improvement of our professional standing and the relation of the American College of Life Underwriters to that important objective are matters which I shall leave for the most part to those who are to speak for the College. I am sure that you were all as delighted as I at the generous and immediate response which the Detroit convention made to the appeal for the endowment of the Edward A. Woods Foundation. Sometime ago the committee raising this fund advised that it had passed the \$50,000 mark. I shall indeed be proud if, before I surrender the gavel to my successor, I can feel that there is \$100,000 in sight toward the endowment of the American College of Life Underwriters. If we continue to support that enterprise to the limit, and if the holders of the C. L. U. degree will realize their responsibilities as leaders to a higher professional standard, I shall feel that in this we will have made the biggest single contribution attending my administration of your affairs.

The success of the college and those holding its degree will do more than anything else to lead us toward the realization of another objective, namely, making ours the finest sales organization in America, with such ideals and skill that we shall feel dignity and pride in our every day work, in our relation with other organizations interested in the welfare of the family and the estate, and in our standards of service to our policyholders and the community.

Finances Changed from Red to Black

Getting down to a mere business matter, we have realized this year, one of our greatest objectives, that is the change from red to black in the financial figures of the National association. The membership drive, of course, had something to do with this, since our income from dues this year was \$48,862 as against \$45,089 last year. This, together with a slight increase in advertising revenue and a substantial saving in routine operation, turned a deficit of \$7,858 last year into an operating profit of \$2,353 this year. It is a very important corner you have turned and a real victory for Managing Director Hull and those associated with him, in which the officers of the association take great pleasure. In this connection, the reorganization of national headquarters has been carried through very successfully as well as economically. This has been accomplished through any curtailment of service but by an increase in economies and efficiencies; for I believe you will all agree that the services rendered by the association are better and more complete than ever before.

You may recollect that we hoped for a really national convention in 1929.

(Continued on page 19)

Insure to Cover Two Years' Income

Life Insurance Market Wider

President Walton L. Crocker, of John Hancock Mutual Life, Gives Examples

KEEP PACE WITH TIMES

Only So Can Rightful Degree of Success Be Attained—Praise for U. S. Chamber of Commerce

Walton L. Crocker, president of the John Hancock Mutual Life, spoke Wednesday morning on "Market for the Second Hundred Billion."

He appeared as spokesman for the United States Chamber of Commerce, of which he is a director. He invited the delegates to inspect the beautiful new headquarters of the chamber, reviewed its history as a business organization, and described the attention it had given in recent years to the subject of insurance in all its branches.

U. S. Chamber Called Important Factor

"There is no doubt whatever," said President Crocker, "of the material share which the National Chamber will have in our second hundred billion, for it and we and general business and finance are so inter-related that the activities of one must inevitably concern the other in some degree, while as our champion against the political influence felt in efforts to make government a competitor with private business, the chamber is well worth our consideration, alliance and material support."

The market for the second hundred billion, President Crocker said, could not be the subject of definite analysis or prediction. It must be based largely upon reasoning about the future. One of the markets would be increase in the average amount of insurance carried on the individual insured.

Average on Individual Life \$800 Per Capita

Notwithstanding the tremendous total of 100 billions outstanding at present, the average amount on the individual life is approximately \$800 per capita, though the probable average of those carrying insurance is \$1,500. Notwithstanding that Americans are the most heavily insured of any of the world's people, they are yet underinsured. Life underwriters are bound to act on that theory in extending their market.

It is not to be expected that people will carry insurance to cover the actual present monetary value of human life, but it is reasonable to expect that insurance equal to two years' income, and possibly more, could be carried. On that basis alone, a large field for future effort opened up. To this must be added the increasing population and wealth, providing openings for new and increased insurance.

The great bulk of the first 100 billion outstanding insurance came from the areas of denser population, said President Crocker. But business is spreading. The chain system, already so large a factor in distribution, undoubtedly is to manifest itself more fully in manufacture. This movement, he said, must invite new growth in places hitherto backward, developing a suburban prosperity which should create new opportunities for the life underwriter.

Also it may come to pass that the agricultural communities will become more adequately insured, though the farmer

has not been easy to reach, nor always able to pay. But increased facilities of communication will make the agricultural population a more decisive factor in the insurance market.

Women a Growing Factor in Life Insurance Situation

Woman is a growing factor in the life insurance situation. Coming into citizenship and business, she is now to be recognized and reckoned with. Her increasing participation in insurance, both as an insurance and as a business factor, is recognized in life insurance. Said Mr. Crocker: "In many thousands of homes she has been and is the insurance authority and administrator of the family. As she goes into business she more and more carries her own insurance as part of her estate. Women who are owners of wealth with increasing frequency take the precaution of estate protection offered by life insurance, and the insurance principle promises to receive a much more practical stimulus from the attitude of receptive interests reported as manifested by women's clubs."

In regard to group, salary deduction and wholesale insurance, Mr. Crocker said there also appears to be room for expansion, as this seems to fill a place and perform a function not associated

with any other adaptation of the life insurance idea. Mass insurance plans still have a strong onward movement, yet are not to invade seriously the field of individual policy protection.

Increased Favor for Life Insurance Trusts

Of the life insurance trust, President Crocker said that this new field being developed by banks and trust companies seems likely to persist and find increased favor. It represents the old idea of estate protection long preached by life agents. This field presents unknown possibilities of rather useful social import. "Life insurance and banking meet here as natural collaborators, with mutual advantage," he said, "and there is already a large accumulation of funded trusts in which life insurance, in whole or in part, is the substance of the trust."

Of large life insurance lines on individual lives, he does not believe that this is a field in which life underwriters could be urged to specialize, as the great field is still made up of ordinary policies of modest sums, and the life insurance fraternity should not forget that the rank and file of the people are its best customers.

President Crocker went on to say: "You enter upon the era of the second

hundred billion under promising conditions, with the institution of life insurance a household word the length and breadth of the land, conveyed to nearly every home by the press of the United States as a service to its millions of readers, and with a market of as yet untested possibilities.

"The question of primary importance to you and your colleagues all over the field is: How much of their increased income can the people be induced to devote to this wise and prudent provision, having due regard for their other obligations or desires in life? To the ascertainment of this you are to devote the days that follow, well knowing that the objective will worthily call forth your best qualities as militant salesmen and wise counsellors. Indeed, the counsellor in you all must guide and direct the salesman in you, else the efforts must fail of its most desirable effect.

Stock Market Offers Strong Competition

"It will be a whole-hearted competition with the glittering array of present-day services and commodities, among which not the least at the moment is the stock market, appealing to the human taste for something that thrills, something of magnetic attraction to the pocket-nerve, of enticing and dynamic conviction to the mind and desire of man, alluringly thrust into notice through the skillful and artistic approach afforded by the printing press and other devices of publicity.

"We have long since learned that our cause is lacking in dramatic and alluring fundamentals. We are reconciled to the fact that our approach must be through the soberer senses, by appeal to thrift, prudence and selfishness.

"When the pursuit of these sober virtues becomes the ruling passion of our people, life insurance will be sought after, and not before. Then, and not until then, can publicity campaigns, whether national and institutional or local and individual, ever hope with any basis of reason to stimulate the desire and whet the appetite for insurance until the people stand in line eagerly begging the opportunity to buy our service."

People Will Not Run to Insure Their Lives

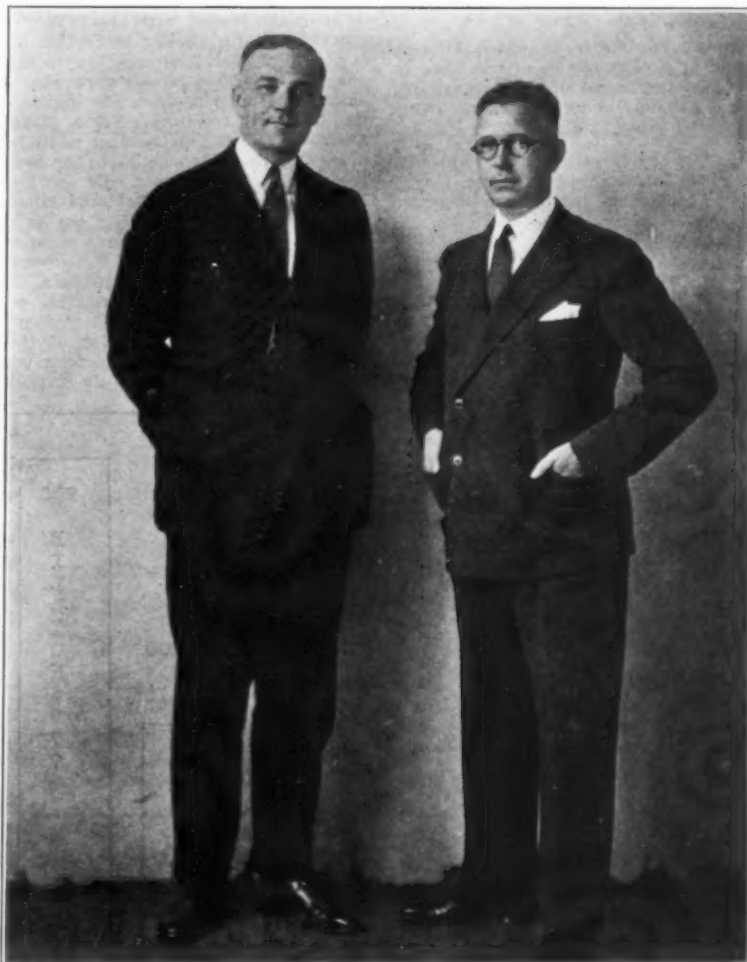
"Of course, if you should be able to construct a life insurance policy whose possession would infallibly give assurance of ten years of life, you would thrill the world and your place of business would presently be stormed by a multitude clamoring for your policy at any price. If you say 'ridiculous' to this as an illustration I will admit it, but will add it is no more so than the thought that advertising could accomplish the same brand of miracle.

"Under no other conditions save those presented by these two impossible hypotheses will you have men and women running to insure their lives, unless it be those who are known to themselves as definitely threatened by the shadow of the Grim Reaper, and who therefore cannot be insured by any human instrumentality. For instance, if you advertise that you will accept your company's limit at standard rates on people intending to fly, irrespective of the conditions under which they are going into the air, you will not have to solicit. You will do a great business with little effort, though with the practical certainty of your company winding up in the hands of a receiver.

"Even though the mind of the individual, as it so often does, should acc-

(Continued on page 19)

The Association Leaders



Managing Director Roger B. Hull and his able lieutenant, M. L. Hoffman, the two guiding geni of the National Association, taken informally at the convention opening.

Legislative Season This Year Heaviest on Record

By HENRY J. POWELL

Chairman Committee on Law and Legislation

The 1929 legislative season, life insurance-wise, has been the heaviest in the annals of your committee on law and legislation. Fifty-eight regular and special sessions were held in the United States, including Congress and every state and territory except Alabama, Kentucky and Virginia. Congress, Connecticut, Florida, New Mexico, New Jersey and Oklahoma, in addition to regular sessions, had one special session each. Louisiana, not scheduled to meet in regular session this year, had two specials and Texas had one regular and three specials. Mississippi, also not scheduled for a regular session, had one special. Congress is still in special session, the Senate having returned to work Aug. 19 and the House Aug. 23. Wisconsin, which adjourned last week, broke its record for length of sessions. All others have terminated except New Jersey, which is in recess until Nov. 26.

Of 3,400 Bills Proposed, 111 Were Enacted as Laws.

During the 58 regular and special United States sessions there were proposed some 3,400 bills, requiring inspection to determine their effect on life insurance, of which number 111 became law. Two years ago, when 53 sessions were held, such bills numbered about 2,500, of which 125 became law.

This year, out of 16 premium tax bills of various kinds, several of which proposed increased rates, no tax increase was enacted. On the contrary, two premium tax decreases were made law—one in Ohio, where the old rate of 2½ per cent was restored, and one in Delaware, where the rate was reduced one-half of 1 per cent.

More Than 590 Tax Bills That Required Attention

Altogether there were more than 590 tax bills of all kinds that required careful attention. Of these, besides the premium tax bills mentioned, there were about 165 relating to income tax, 150 relating to state or inheritance taxes, and more than 260 general tax bills, including such as franchise and corporation taxes, taxes based on capital stock and general property taxes.

California, Colorado, Indiana, Pennsylvania and Washington amended their inheritance tax laws, expressly exempting from taxation policy proceeds payable to beneficiaries other than the estate of the insured. In most states where no definite mention of life insurance is included in the inheritance tax law, such express exemptions have never been considered necessary in the absence of decisions or rulings by the local tax officials. In these states, however, owing to the position taken by the tax officials, these amendments were necessary for full protection of life proceeds from inheritance taxes.

Bills Relating to Life Insurance Agents

More than 25 bills relating directly to life insurance agents were submitted in the various states. In California the two-license controversy resulting from overlapping legislation two years ago was clarified by a new law to make one license sufficient to authorize a life agent to do health and accident business also. Massachusetts amended its law for free licenses to brokers who are veterans of the World War by extending the fee exemption to partnerships com-

posed wholly or partly of such veterans. Punishment is now provided in Michigan by means of a \$1,000 fine or three months' imprisonment for agents and others who make or cause to be made any false, dishonest or fraudulent claim for disability or death benefits. Pennsylvania agents licensed continuously since April, 1924, to transact any kind of business for any company, may obtain a license to transact the same kind of business for any other company without examination. South Dakota changed the expiration date of agents' and company licenses from March 1 to May 1, and a new Vermont law changes such expiration dates from March 31 to May 31. Washington provided for the reciprocal licensing of non-resident agents. Florida made a similar provision but on the retaliatory basis.

Commissioners Given Broader Authority

In Michigan the commissioner has been given broader authority to inquire into the qualifications of agents before granting licenses. The Missouri insurance superintendent, by a new law, may use his discretion in the matter of issuing or revoking licenses, the agent to have a hearing and right of appeal to the courts. The North Carolina commissioner now has authority to revoke the licenses of agents who "become in any way disqualified" under provisions of law relating to obtaining or holding licenses.

Among the states in which bills relating to agent's qualifications were introduced but failed of passage are Illinois, Nevada, South Dakota, Texas, Utah and West Virginia.

Compulsory investment bills appeared this year in Arkansas, Colorado, Florida and Pennsylvania, but none was enacted.

Insurance of Minors Receives Attention

Insurance of minors received attention in several states, but only two bills were enacted into law. Colorado increased the graded amounts for which children, ages 1 to 10, inclusive, may be insured

by their natural parents from the former basis of \$50 to \$400, dependent upon age, to a new basis of \$500 to \$4,500. Guardians of Pennsylvania minors may invest the income of trust funds for the insurance of such minors, under supervision of the orphans' court.

Iowa amended its law relative to the approval of policy forms by the commissioner of insurance by removing the requirement of medical examination for policies of \$2,000 or less. Policies so written shall be incontestable after two years from date of issue except for nonpayment of premiums.

New Type of Bill Would Extend Grace Period

A new type of bill appeared in several states this year, the first one being introduced in California. This would have established a minimum grace period of 60 days for the payment of premiums, and a maximum of six months for policies 15 or more years old. A Missouri bill on the same subject would have provided a grace period equal to one-half the period for which the then reserve would purchase term insurance. Another in Wisconsin would have set up a grace period of not over four years on all policies in force ten years or more. None of these bills became law.

A tremendous expense to policyholders would have been caused by a Missouri bill proposing to require life companies to publish in two newspapers the names of all policyholders whose contracts had been allowed to lapse during the past 21 years and for the annual publication of new lapses thereafter. This bill failed to become law.

New Statutes Safeguard Life Policy Proceeds

Colorado, Maine, and West Virginia enacted statutes similar to Section 55A of the New York insurance law to safeguard life policy proceeds payable to named beneficiaries from the claims of the insured's creditors. North Dakota made a clarifying amendment to its law protecting proceeds payable to the estate from claims of the insured's creditors. Several other states considered similar bills on this general subject but failed to enact them into law. Texas exempted the cash surrender value of policies from claims of the insured's creditors. In West Virginia the old act relating particularly to rights of married women to proceeds of policies on lives of their husbands was amended to conform with the new general provisions on this sub-

New "Millionaire"



G. GILSON TERRIBERRY, New York Mutual Benefit Life

ject. Vermont now expressly permits companies to hold life proceeds under contract so as not to be subject to claims of creditors and in the nature of a "spendthrift trust."

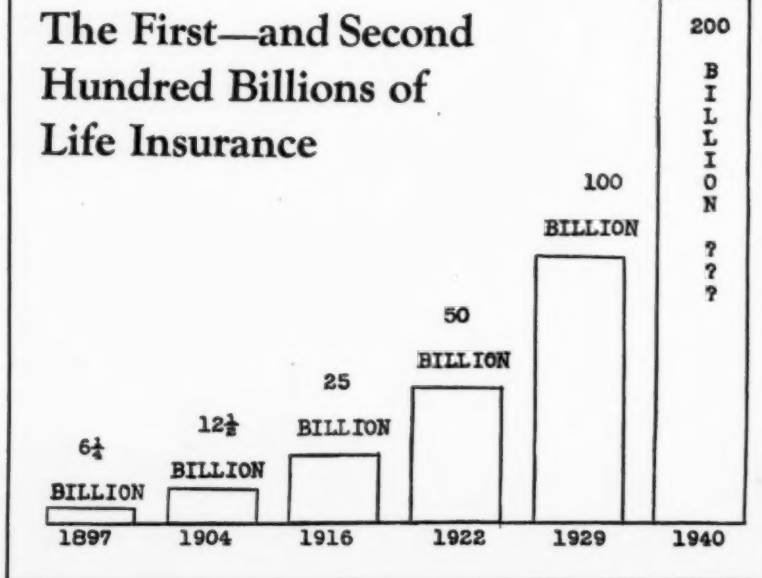
Group Insurance Taken Up in Many States

Group insurance also received much attention by legislators. Of 35 measures introduced, 14 were enacted into law. California extended the coverage permitted to state, county and municipal employees, as well as to labor unions and members of the National Guard. A bill became law in Colorado to include counties, cities and other political subdivisions of the state under the designation of employers for the purpose of group insurance. Iowa added teachers' associations to group coverage permitted. The Massachusetts law was broadened as to labor unions, by removing a former limitation to active members only, and by adding associations of teachers or postal clerks to the list of eligibles. New Pennsylvania and Wisconsin group laws are similar to the old New York law. Labor unions were admitted to coverage in Washington. In New York this year, the coverage was extended to borrowers from a financial institution, to installment purchasers on application by creditors and to organizations of World War veterans.

Numerous New Laws of Miscellaneous Character

Numerous new laws of miscellaneous character were added to the statute books. New California and Texas laws forbid the sale of stock with policies of life insurance under penalty of revocation of license of offending company or agent. Connecticut now forbids companies and agents to misrepresent contracts issued by rival companies, by means of incomplete comparisons, for the purpose of inducing the insured to forfeit or surrender such policy and replace it with another. New Hampshire strengthened its law on the same subject. Solicitation by mail or through newspaper advertisements by unauthorized companies is now prohibited in Connecticut. In Pennsylvania the conversion of policies of a higher rate to a lower rate, on application of the insured, is now expressly permitted by statute, there having been doubt raised as to whether the Pennsylvania law as previously in effect permitted such changes. The new act provides that the amount

The First—and Second Hundred Billions of Life Insurance



Sells to Women

MISS EMMA H. DITZLER, New York
Connecticut Mutual Life

of the rewritten policy shall not be greater than the premium would have purchased at the lower rate on the original date, which is in accord with usual underwriting practices of the companies.

Section 97 of New York
Insurance Law Amended

In New York, Section 97 and certain related sections of the insurance law relating to life insurance acquisition costs were materially amended, following recommendations made by the superintendent of insurance.

Life insurance field men gave their usual loyal and hearty co-operation in legislative matters in all states this year. This was particularly true in Ohio, where a premium tax reduction bill became law; in Tennessee, where life insurance was proposed to be brought under the provisions of a sales tax bill; in California, where agents were called upon to oppose the grace period extension measure; in Florida, where unusually burdensome tax increase proposals as well as compulsory investment bills were presented, and in Georgia, where both a premium tax increase and an income tax bill including life insurance companies were pending. In each of these instances the efforts put forth by life underwriters in behalf of life insurance policyholders were successful.

Booth Attracts Attention

The booth of The National Underwriter in the lobby of the Hotel Mayflower, with its exhibit of the various publications and sales helps issued by the organization, was the center of an interested crowd. It is in charge of Emerson R. Smith, eastern manager; J. M. Dempsey, W. J. Smyth, A. S. Rifkin and William Carlson. Adjacent to it is the display of P. G. Dallwig's standardized record forms.

The home office of the Jefferson Standard Life was well represented, its delegation including W. T. O'Donohue, vice-president and agency manager; Alvin T. Haley, sales promotion manager; C. W. Gold, Jr., home office general agent, who is a son of the vice-president and treasurer of the company, and Julian Price, Jr., son of the president.

Great Improvement Shown
in Association Finances

In presenting the annual statement of the association, Treasurer Robert L. Jones made the following comment:

"You will all rejoice in the fact that our loss of \$7,857 of a year ago has been changed into a profit of \$2,353, or a total improvement of over \$10,000. This is more than twice the profit shown on July 1, 1927, and that was before we had begun our enlarged program.

"May I comment on a few of the items? We had on June 30 of this year \$37,932 cash in the bank as against \$16,548 on June 30, 1928. Of this, \$15,685.42 is safely tucked away in savings banks of the very highest standing and earning, 4½ per cent interest.

Improvement in
Finances Itemized

"Membership dues earned were \$48,852 as against \$45,089 a year ago, an increase of about \$3,800, which, in turn, reflects our increased membership. The advertising in the 'News' brought in \$36,513 as compared with \$35,692 the previous year. Convention registration fees at Detroit in 1928 were \$4,070 or \$1,200 better than at Memphis in 1927.

"We had an income of \$5,933 from the so-called 'guarantee fund' and as this was a special source of income and probably will not be called upon or received again, it should not figure in our averages or comparisons. Deducting this \$5,933 from our total assets, we still

have the neat little sum of \$51,235. The total salary expense was \$39,614 as compared with \$37,516 a year ago. The total expenditures for postage were \$6,495 as compared with \$10,573 last year, or a saving of over \$4,000. It may interest you to know that our proposed budget for 1929-30 calls for only \$5,000 for postage, or \$1,500 less than last year.

Saving Is Shown
in Many Items

"In 'propaganda,' we have spent \$2,251.20 as against \$1,005 a year ago, principally due to the distribution of the Riehle booklet. Bulletin service shows an outgo of only \$997 against \$2,172 last year and this without curtailing service. Rent and light cost \$4,222 against \$5,166 in the previous year.

"To print the 'News' cost \$14,529 as against \$15,754, or a saving of nearly \$1,000, and this in the face of increased editions due to larger membership. It is my firm opinion that every item of expense is carefully scrutinized and kept at the very lowest figure. Every check issued is personally signed by Mr. Hoffman and the treasurer and is accompanied in every case by an itemized and certified voucher.

"Much of the improvement that we find in this year's report is due to economies in management and saving in outgo rather than in enlarged income. There is still opportunity for improve-

ment through enlarged income, through larger membership and greater demand for our output.

Notable Gains
Made Since July

"Just to let you have a look into what has been accomplished since the first of July, may I say that from our Sept. 1 statement we find that we have a checking account as of that date of \$17,242 as against \$9,054 on the same date a year ago.

"This nice balance in the bank is in addition to nearly \$16,000 now in the savings banks as compared with approximately \$1,000 in the savings banks on the same date a year ago. The total profit for the two months of July and August, 1929, is \$2,837 as compared with a loss a year ago of \$29.62. Just to bring things up almost to the present moment, I may say that I am informed that our advertising for this September seems to run about \$600 ahead of the advertising for a year ago.

"I have every confidence in our management and the personnel at headquarters and anticipate that each year will show a constantly increasing income, thus giving us an opportunity to enlarge our program and our usefulness to our membership."

D. C. COMMITTEES
HANDLE MEETING WELL

John F. Cremen, chairman of the general convention committee, and his fellow workers among the Washington life underwriters did notably efficient work in handling the preliminary arrangements and in looking after the delegates during the meeting. Harold D. Krafft, president of the District of Columbia Life Underwriters Association, is secretary of the local convention committee and Russell P. Freeman treasurer. Edward S. Brashears of Washington, who landed the convention for his city at the Detroit meeting last year, is third vice-president of the national association and chairman of its convention committee.

The chairmen of the special committees of the Washington association are: Finance, John Dolph; publicity, Paul L. Sleeper; reservations-hotel, A. L. Baldwin; entertainment, Eugene D. Adams; reception, Arthur W. Defenderfer; registration, H. Lawrence Choate; banks and trusts, Earl D. Krewson; transportation, Frank R. Strunk; open session, H. R. Bryrly; golf, G. Lea Stabler; radio, J. A. Marr; blind underwriters, D. Fulton Harris; attendance, H. O. McLean; special guests, A. D. Carpenter; program, Thomas R. Crowley.

OWEN MISSES
CONVENTION SESSIONS

Ernest W. Owen, secretary of the national association, whose energetic work as chairman of the general convention committee last year was credited with much of the success of the Detroit convention, was unable to attend any of the regular convention sessions. He was on hand Monday for the meeting of the trustees, but had to leave that night for Swampscott, Mass., to attend the annual agency convention of his company, the Sun Life of Canada, the dates for that meeting having been set more than a year ago, before the time and place for the national association meeting were selected.

Frank L. Jones, a former president of the national association and now agency vice-president of the Equitable Life of New York, was on the ground early to attend the agency convention of that company for the southern district, which was held at the Mayflower Monday and Tuesday of this week.

National Association of Life Underwriters
Comparative Balance Sheets
June 30, 1929 and June 30, 1928

	ASSETS			
	JUNE 30, 1929		JUNE 30, 1928	
CURRENT				
Cash:				
On Hand.....	\$ 50.00		\$ 50.00	
In Bank.....	22,196.72		15,445.41	
In Savings Banks.....	15,685.42	\$37,932.14	1,053.00	\$16,548.41
Notes Receivable.....		2,000.00		2,000.00
Accounts Receivable:				
Advertising.....	1,955.01		3,124.27	
Publications (Less Reserve)...	2,260.19	4,216.10	4,534.35	7,658.62
Inventories:				
Paper Stock.....	1,490.28		1,000.51	
Envelopes.....	469.26			
Publications.....	7,392.87	9,352.41	9,509.32	10,569.83
TOTAL CURRENT ASSETS		53,500.65		36,776.86
FIXED:				
Furniture & Fixtures.....	5,446.46		5,406.86	
Less: Reserve for Depreciation.....	1,780.47	3,665.99	1,521.77	3,945.09
DEFERRED CHARGES:				
Postage.....	2.70		212.01	
Prepaid Expenses.....		2.70	10.00	222.01
TOTAL		\$57,169.34		\$40,943.96
LIABILITIES				
CURRENT:				
Accounts Payable.....	1,644.74			478.08
RESERVE FUND—Guarantee R. B. Hull				190.00
DEFERRED INCOME—Unearned Dues		20,844.00		20,440.50
SURPLUS—BALANCE July 1, 1928	20,393.46		27,783.16	
Add: Receipts Account of Deficit from Operations 1928.....	5,933.66			
	26,327.12		27,783.16	
Add: Profit for Twelve Months Periods Per Exhibit B.....	2,353.48		7,857.78	
Balance—June 30, 1929..		28,680.60		10,925.38
TOTAL		\$57,169.34		\$40,943.96

Get Confidence of Prospects

Big Producer of Northwestern Mutual Lists That as Biggest Success Factor

FIVE POINTS STRESSED

Lets Prospects Make First Mention of Life Insurance—Never Closes on First Interview

By DR. C. E. ALBRIGHT

As this is my first appearance before any national association of insurance men, it may be expected that I will comment somewhat briefly upon my reasons for selecting the life insurance business as a career.

Having graduated from a medical college, I was just about finishing my term as an interne in a hospital, when one of the medical directors of a life insurance company called there and offered me a position in the medical department of his company. After visiting the home office and meeting some of the other officers of his company, I decided to take up what has been termed "the science of risk selection."

After living in the insurance atmosphere for a short time, my inquiring turn of mind led me to wonder whether the medical department were the particular department that offered the greatest opportunities for me, and, if not, which department of the company was the best. Upon canvassing the situation, I decided that the agency department seemed to be a little more promising from my point of view than any other department of the company.

Felt Preparation Necessary in Order to Succeed

I realized that in order to have any chance to succeed I must be adequately prepared—in fact, must know the business through and through. In those days life insurance was not taught in colleges and universities as it is today, but the best place to learn about it seemed to be in the home offices of the companies. My position in the medical department gave me access to the other departments of the company, as well as to the various officers, who knew their departments like a book. As my study of the business progressed, many men who were thoroughly awake to the needs of the business said things that impressed me with the fact that in entering the business of life insurance soliciting a man could not be too well prepared.

It Is Man Who Knows Whose Opinion Is Sought

I should not say that this is peculiar to life insurance (although that business is somewhat technical in some of its aspects) as the same thing may be said of almost any business—banking, manufacturing, advertising, accounting. It is the man who knows whose opinion is sought and respected.

I recall distinctly what was said to me by one of the most brilliant men that has ever been connected with the life insurance business. It was that if he ever became president of a life insurance company, he would insist that no agent be permitted to solicit until after he had been taught a sufficient length of time so that he would be fairly familiar with the subject. It was not so in his case, he informed me, as after he had signed a contract, the general agent took him to a window, pointed to the great city

outside and said: "There is the place. It is yours."

Difficult to Secure His Wife's Approval

But, after my decision was made, I found that I had other problems which were more or less personal but which, nevertheless, compelled me to exercise my imagination to such an extent that I can consider them as a part of my life insurance education.

In the first place, I have found it better never to begin a major operation without taking my wife into my confidence. Something might go wrong and the shock would be too great. But this time, when I took her into my confidence, I found that she did not like the idea at all. She was backed up to the limit by other members of the family, who were all inclined to be more or less skeptical about the business, as there was a prejudice against life insurance then which does not exist to the same extent today. Fortunately, in recent years, life insurance has come into its own. Even after I thought I had my wife fully convinced that I could probably make a go of it, something unexpected would come up now and then to upset everything that had gone before.

Final Argument Has Desired Effect

We were traveling with some friends when word came that a well-known life insurance agent in Milwaukee had died. It so happened that these friends had just been married and the bride asked her husband if he knew the agent. He replied, in a somewhat significant tone: "Yes, he was one of those who called upon me after our engagement was announced." My wife smiled at the time and did not seem much interested, but I knew what she would say as soon as we were alone. It was: "I must take back all I have said about your going into the life insurance business. There is too much prejudice against it. You have just heard what our friends said, and that is the almost universal opinion of life insurance soliciting." I replied: "That need not worry you. I shall never call upon a man after his engagement is announced, because there would be too much competition at that time. I might try to become so well acquainted with him before he was ready to announce his engagement that he would take me into his confidence in advance and tell me what his ideas of life insurance were, without my asking him any leading questions." That argument had the desired effect, and since that time there has never been any thought in my wife's mind that my judgment was not good in selecting life insurance as a career.

Friends All Questioned Fitness for the Work

If I had been easily discouraged, however, I probably would have gone into something else, as all of my friends seemed to think I was not cut out for the work.

One friend did say one thing that made an impression at the time. It was: "You must increase your acquaintance," and the way he said it made me feel that he thought my acquaintance was limited, which indeed it was. I took this piece of advice seriously, however, and have followed it ever since. I never make a trip to Chicago, New York, or any other important center without laying my plans to meet two or three men that I have not known before. This, naturally, has afforded me the opportunity of exposing myself, as it were, to a large number of insurance prospects. It has been an important factor of my work, if not the most important.

In making a decision so vital as to concern your long future, it is all very

well to get the advice of those who have an unselfish interest in your welfare, but you, yourself, should make the final decision. C. E. Albright is the man I have always gone to in the end.

While my entire preparation was in the home office of my company, if I were doing it over today, I think I should be inclined to top off, as it were, with a course in one of the great universities specializing in life insurance.

Fights Out Question of Figures with Competitor

I was calling upon men somewhat promiscuously, telling them that I had entered the life insurance business, when I happened to strike a man who told me that he was in the market for a policy and would like to have me present some figures. After the figures were digested, he told me that he was somewhat confused, as figures given him by other companies regarding results seemed to conflict with those given by me and he did not know of any better way to settle it than to call in my competitor and let us fight it out. As that was, more or less, the way it was done in those days, I said, "All right." During the interview I had very little to say, as my competitor almost overwhelmed my prospect with the figures which he presented. In fact, the gentleman was so impressed by his presentation that he frankly informed me he did not think that the earning power of my company was what it had been.

Showed Importance of Establishing Confidence

I said to my competitor, in the presence of our prospect, that unfortunately, I had been in a foreign country for 18 months and some statements made by him would not check up with the facts as they existed before I left, but possibly might be true at the present time, and if they were true I was then in a splendid position to leave the company I was representing and make a connection with his company, not having written a single man for insurance. I did not have to study the situation at any great length before I was able to detect some statements made by my competitor that would not hold water if put to the test. When this was definitely established in our prospect's mind, he turned to me and said, "Well, doctor, I am ready for your medical examiner."

This experience, coming right at the beginning of my work as a solicitor of life insurance, emphasized the importance of establishing myself in the confidence of my prospect.

Leader Among Company's Agents from the Start

After closing this first case, I seemed to be off to a flying start, as that same month, which was the first month after entering the business, I led all agents of my company in Wisconsin. The second month, being February and a short month, I did fairly well, although I was not able to show up as a leader. The third month I led all agents of my company in the entire United States. Our fiscal year closed May 31, which had given me five months in the business against 12 months for other agents of the company. My rank was 31, which meant that 30 agents during the entire year wrote more than I had written the first five months. At the end of the next fiscal year, however, I stood 5th among all of the agents of the company and at the end of the following year, after being in the business two years and five months, I stood first, taking the company's first prize.

Exciting Contest for Honors in Second Year

Having stepped into the front rank, I was particularly anxious to retain

Sold 50 Million



DR. C. E. ALBRIGHT, Milwaukee Northwestern Mutual Life

the position for a time at least, but the contest for that next prize was the most exciting one that I have ever had. One of our most brilliant agents, who had won that first prize a number of times in previous years, apparently figured out that he could win it again if he went out for it. At the end of each month after Jan. 1, as the record indicated that he was several hundred thousand ahead of me, I began to think I could not repeat. As it happened, however, he turned and the last month of the fiscal year, the month of May, I was able to report over \$500,000 of insurance, which not only won the first prize, but was really the largest volume of business that had ever been written by any agent in one year in the entire history of the company.

High Pressure Methods Never Found Advantageous

My aim was, from the first, to employ methods which would give me the confidence of the prospect. I believed that high pressure methods would not assist me. In fact, I could never see how high pressure methods could fit into my selling program. The very nature of the business seems to preclude the possibility of such methods being advantageous. When a man takes life insurance he is usually thinking about the members of his family—his greatest concern at all times if he is right minded. He is thinking of what might happen to them in the event that the great calamity should come prematurely to him. In such a frame of mind he is not, generally speaking, in the mood to be highly pressured by hypnotism, suggestion, or other rapid-fire practices which are calculated to quickly secure his signature upon the dotted line.

Never Seeks to Write Man on First Interview

It has always seemed to me that nothing could shake a man's confidence in an agent more quickly than over-eagerness to close the business, and for this reason I have never sought to write a man on the first interview. I have preferred to wait until my prospect felt that he knew me well. Putting myself in the prospect's place, I know that I would not care to entrust such an important matter to a comparative stranger. In holding off on some of these cases, some of my colleagues seem to think I have gone

(Continued on page 16)

Creating Second Hundred Billion

Jerome Clark, of Union Central Life, Forecasts Means of Attainment

MUST IMPROVE TECHNIQUE

Number of Agents Need Not be Increased—Thoroughness and Leadership to Count

Mr. Clark is superintendent of agencies of the Union Central Life. He is a young man who has grown up in life insurance. His father was the late Jesse R. Clark, president of the Union Central.

A few months ago an article appeared in the magazines in which Henry Ford answered the question: "What progress will be made in invention during coming years?" Mr. Ford gave his imagination full rein and it is rather fascinating to picture oneself using and enjoying the developments in aviation, communication and transportation which he foretells.

At the same time, we cannot help thinking that while Mr. Ford enjoyed making these prophecies, as we all enjoy speculating about the future, he was really laying down a heavy program of work and toil and planning an achievement for those who would carry them through to completion.

Therefore, I feel some advantage in being among the first speakers on the program, for my prophecies and speculations on the theme "The Second Hundred Billion" will be followed up by other speakers qualified by their standing, resource and experience in the business to give us the working program which will translate these prophecies and speculations into reality.

Spirit of Fellowship Symbolized by Association

I do not see how we could even consider such an ambitious achievement as the second hundred billion if it were not for the possession of one ingredient, an ingredient always necessary for the construction of a unified platform or the attainment of a joint objective, and that ingredient is the spirit of working fellowship symbolized by this National Association of Life Underwriters.

You know, when you come right down to it, the problems of many of us who are meeting here today are quite different from the one from the other. The problems of the companies, for instance, have little directly in common with those of you men in the field, for these problems for the most part are problems of organization. Your problems are problems of salesmanship. And yet the field organization is the eyes and ears of the life insurance business. I dare say that the great majority of the improvements by which our companies are daily harnessing life insurance closer to the needs of the insuring public have been initiated and proven through the cooperation of the field organization.

Go Together Up Ladder of Cooperation

The problems of our managers in the building and administration of the agencies are not always sales problems, and yet the cooperation of the man in the field has been in many ways the most important factor in their solution.

A few weeks ago I saw a picture in

On First Day's Program



JEROME CLARK
Superintendent of Agencies Union Central



HAROLD A. LEY
President Life Extension Institute

an advertisement which showed a West Indies negro climbing the almost perpendicular trunk of a coconut palm. He had tied his ankles together with a handkerchief and was going up hand and foot. I do not suppose anybody but a native would attempt to duplicate the feat, but as I looked at the picture I could not help thinking that we have learned a better way to attack our problems. We have learned that we can join our problems together with ties of cooperation and so form a veritable ladder by which we can ascend to our goal. How much easier it is to go up together by the ladder of cooperation than hand over hand alone!

Priceless Ingredient in Working Plan

The first rung, then, in the ladder to the second hundred billion is the National Association of Life Underwriters. How can we value highly enough its function as a clearing house for the most up-to-date underwriting methods! How can we value highly enough the professional standards it is setting up, both within the life insurance fraternity and in its relationship to the public!

Our many other organizations, the Presidents' Association, the American Life Convention, the Agency Officers' Association, the Sales Research Bureau, the medical, legal and actuarial societies, are each rungs in the ladder of cooperation, each making possible one more step toward the second hundred billion.

And so, as we meet together now to lay down our program for the next objective in life insurance, the greatest asset we have at our disposal, the brightest promise for a successful future, the priceless ingredient of our working plan, is that fine spirit of cooperation between our companies, our agency managers and our underwriters in the field.

Life Insurance Has Changed Before Our Eyes

Now it seems to me that one most important element of our program and one which is of ever-increasing significance is the necessity for a constant growth in the technique of our business. One of the most amazing features of life insurance during the past ten years is its growth in scope. Life insurance has changed before our eyes from a comparatively simple instrument with a relatively limited application into a highly complicated instrument with a

widely ramified application. It is making its influence felt in all sorts of directions undreamed of a few years ago. Today it is almost impossible to call to mind an individual, a situation, an enterprise which is not in some way affected by life insurance.

Every day the public is demanding of us a more comprehensive and specialized service in the widespread phases of our business and the buyer of insurance is judging us largely by our ability to render that service.

Heavy Burden on Man in the Field

That is putting a heavy burden on the man in the field selling life insurance, and I see no escape from it. We are living in an era of rapid expansion and development and we must keep up with it if we are to be in the procession. About the only solution is study, not intermittent cramming or word of mouth passing on of information, but rather some systematic day by day progress in the mastering of those things it is necessary for us to know.

We are fortunate in one particular. I know of no business which offers a more complete series of textbooks or has at its disposal more worth-while periodicals than life insurance. I know of no group of salesmen who are more generous in offering for the general good a description of their working plans, their methods, their technique, than life insurance men. Growth in technique is only possible through regular, systematic study and it is an ever more important element for those who are planning and intending to grow in the business. It is not the six feet that make the tall man, but the two inches above the average. Your stature in the life insurance business is going to be judged by your ability to grow above the average.

First Textbook on Agency Management

The necessity for growth in technique is by no means confined to the men on the firing line. It is shared equally by our agency managers and by our companies in the performance of their respective tasks. As a matter of fact, and without any disparagement on either, it is probable that there is more room for growth in our technique of agency management and organization than in that of our salesmanship. It is

curious that in our business while we have put the underwriter—the salesman—his plans and methods, under the microscope for more than fifty years, the first textbook on agency management is less than five years old. I think we can all be thankful for that book. Regardless of its content, it has recognized that there is such a thing as the technique of agency management. It has served to stimulate our thought along lines of organization as well as lines of sales. Material of this kind is a healthy sign and should presage much for the growth and development of our technique of agency management.

Business Unique in Sharing Discoveries

Furthermore, it appears to me that the institution of life insurance is going to pass through some evolution of technique in the era of the second hundred billion. Occasionally we hear speakers from other lines of business blithely characterize the sales organization of life insurance as a rather loosely knit, inefficiently operating machine. I don't think we have to worry much about talk of this kind. Personally, I shall be disappointed if we ever assume the conceit to think that we have no lessons to learn from the future. But, as a matter of fact, the institution of life insurance is unique in at least one particular. In what other business enterprise with goods to sell do you find the competing companies pooling their information, sharing their discoveries, conducting co-operative researches, as we find them in life insurance?

There are few secrets, few patents, in the life insurance business. The tendency which we are developing and which will reach its climax in the securing of the second hundred billion is to join together in laying down a common set of specifications for life insurance and then to compete strenuously in building from those specifications and in marketing the resulting product.

Cleanest Competition is in Life Insurance

This cooperative line of action is giving us the cleanest competition in all American business—clean because the chief beneficiaries of it are our customers, our policyholders.

Now keeping this thought in mind, I am willing to hazard the prophecy that the various cooperative organizations of the institution of life insurance are going to discover many keener, sharper tools for us to work with. We need more research, more probing into the public's insurance wants. We need even more simplicity and effectiveness in the policies which will fulfill these wants.

For in the rapid expansion of our business there has been an occasional tendency towards kinds of policies whose value lies more in their unusualness and novelty of appeal than in their ability to solve human problems. I have no quarrel with these policies, but I feel that in the long run we shall find more benefit in developing our contracts more along lines of usability than mere salability. Synthetic policies may have the merit of putting over volume sales, but they do not contribute one bit to the advance of our business as a public utility. They will not take much of a share in the second hundred billion.

Duty Not to Confuse Clients

Furthermore, I think we owe a debt not to confuse our clients with mazes of figures, intricate digests and comparisons. The prattle of prospects and policyholders about clauses and privileges of life insurance policies which are not vital to the tremendously important problems of their lives invites the thought that we in educating them about these things have been regarding our

prospects not as our clients, but merely as a convenient medium for checkmating our competitors.

The motives which inspire the purchase of life insurance, the protection of the family, the maintenance of the home, the education of the children, the financial anticipation of old age, are of such a high order and offer in their solution so many opportunities for real salesmanship that it seems downright wrong for us to emphasize features which within ourselves we know to be unimportant to the issues involved. It is our task then to foster a better understanding of what life insurance really is and what it really will do.

"Improve the Technique of Our Trade"

In making our plans for the future, then, let us keep abreast of the times by improving the technique of our trade. This is going to mean systematic study for the underwriter, the development and testing of the organization plans and methods in our agencies and companies and the cementing of these two factors with a broad and wholesome understanding of American insurance needs and methods for their satisfaction. All are harmonious planks in our platform of growth.

In getting on to a second point in our platform, it seems to me that we should consider an element which is no less important than technique and that element is thoroughness. We shall never enjoy the fruits of our plans unless we carry them through to completion. The institution of life insurance has been thrusting out spear-heads to new limits of usefulness in many directions. We need now to fill in the ground between these spear-heads. In military parlance, the objective reached by the first wave of our attack is not won until it has been fully consolidated by the second wave.

Fill in Gaps Left by Headlong Rush

I believe that a vast portion of the second hundred billion will be secured by filling in the gaps left by the headlong rush of the first.

One gap is found in the geographical distribution of our business. Much of the second hundred billion is going to be found in territory passed up by the first. In the past, we have been concentrating quite heavily on the large cities for our business. This has been a very natural thing to do, but we must guard against the tendency to base our concept of life insurance salesmanship entirely on the conditions we find in metropolitan centers. Let us cherish a broad geographical viewpoint lest the educational requirements and the full-time standards which we quite properly insist on for the big cities drive life insurance out of the more sparsely populated rural communities before we have solved their distribution problem.

Need is For Good \$5,000 Program

Another gap has been created by the progress made in such specialties as inheritance tax insurance, program insurance and cooperation with trust companies. Most of our best thought on these innovations in our business has been given to cases involving large amounts of insurance. The successful handling of these cases has but emphasized the need for carrying the treatment down into the lower brackets of income.

When Vice-President Marshall said that what this country needs is a good 5 cent cigar, he gave us the cue that what modern day life insurance needs most is a good \$5,000 program—one which will create and safeguard modest estates and disburse them to the greatest advantage and at the same time be

Report on Work of Year



HENRY J. POWELL, Louisville
Chairman Law and Legislation
Committee



MISS B. B. MACFARLANE, New Orleans
Chairman Education Committee

flexible enough to anticipate changing conditions. The need here is so real and vital that surely it will be solved in the era of the second hundred billion and so will open up a whole new market to us.

We'll Not Require Many More Agents

The element of thoroughness is found in every ramification of our business and is applicable not only to the general institution of life insurance, but also to the working plan of every individual engaged in it. After all, the very appointment of an individual life underwriter is warranted only by his juxtaposition to a group of people whom he is the logical one to serve. Our second hundred billion will not require many more agents in number, but no doubt it will require the replacement of many who are not able to discharge their responsibility to the group they are appointed to care for.

Furthermore, in the future we are going to give a great deal more importance to our business on the lives of old policyholders. I don't say this merely because the old policyholder is the best prospect we have, because, of course, he is. I say it in the interest of our thoroughness, because a policyholder represents an obligation to follow through on the original sale and as a rule the man who conceives a life insurance program is the logical one to carry it through to completion.

Life Insurance About Equals Year's Income

The annual income of the nation is approximately one hundred billions; the life insurance in force is about one hundred billions. Therefore, the average American is insured in the amount of one year's income. There isn't any dearth of prospects for life insurance!

Just to check this in a rough way, I have examined the files on the last one hundred cases issued by my company. It just happened that these were all modest policies, none over \$10,000 in amount. These one hundred people reported their annual income at \$224,800. They give the total amount of their life insurance as \$354,750. They are insured only for one and one-half year's income. Now this list isn't some hazy average, but is the situation of real flesh and blood people. It might just as well be a list of my policyholders, or yours,

or yours, or yours. And with such a situation in our minds, can any of us say we have no prospects? Can any of us say that we must have more territory? Can any of us say that there is no market for life insurance? We have more than we can handle thoroughly right at home.

I don't think that we should call thoroughness merely a plank in our platform, for it is more than that. It is really the force which is holding the whole structure together.

Must Emphasize Quality of Leadership

Now to go on, it is impossible to discuss two such influences in our business as technique and thoroughness without properly giving some emphasis to the further quality of leadership. How could we aspire to duplicate in a few brief years what it has taken a century to create if we did not have the leaders of our business to set the pace for the future?

When we consider the problems of the man in the field selling insurance, the real difficulties which he encounters in his daily work, the amount of insurance which our leaders are successful in securing year after year is simply incredible. Furthermore, I say without hesitation that, valuable as the production of these men is to their companies, of tenfold value is the leadership they give us, the example of what can be done in life insurance, the incentive to go out and try to duplicate their performance.

Ideal Field is One Highly Organized

And while it is less conspicuous, there is a further opportunity for leadership for the individual field man in his co-operation in the building of the agency organization. Our platform of growth is going to require in part a changing personnel, and we rely on you men here to bring the type of new men whom we need. Thank goodness we are not in a business of such limited scope that more new organization would mean less business to go around among the old organization. We all know by experience that the ideal field for insurance is one which is highly organized, where large volumes of business are being written and where people have learned to make life insurance a part and parcel of their financial lives.

I hope that every individual underwriter here will make it a part of his contribution toward the second hundred billion to bring some new man into the organization. I am not making this as a plea. I am not saying that this is something that ought to be done, because the building of organization is not the responsibility of the individual underwriter. I am sure that we all feel, however, that the man who has not co-operated with his manager in the building of the agency has missed something in the business. There is no better way to come to an appreciation of the advantages of your own work than to explain them to someone else. The man who has not sponsored a new agent has missed the benefit of one of the greatest urges and incentives for the improvement of his own record. I am not willing to call this a plank in our platform, but surely it has its place among the bonds and ties of cooperation which unite us in our common effort.

These same bright banners of leadership are hung out also by the great cooperative associations of our business. These associations are setting standards and fixing criterions which are going to refine the quality, improve the persistency and hasten the acquisition of the second hundred billion.

Hope for Closer Relationship to Public

I hope that this association or some other of our cooperative enterprises will give us leadership in knitting closer the relationship of our business to the public. More uniformity in our insurance laws would be a great boon to companies and policyholders. We need a more enlightened attitude in the taxation of life insurance premiums. In the last analysis, these and other needs are matters of public education. Life insurance is becoming more and more the nation's pocketbook and so there is a growing need to disseminate information about life insurance: what it is, how it works and the place it has in our national life. This is hardly a program which can be undertaken by individual companies or small groups, but it does offer a challenge to our far-reaching cooperative associations. Let us have their leadership in translating their researches on these matters into action!

Perplexing Problem is That of Training

Furthermore, one of the most important and perplexing problems in life insurance today is that of sales training and education. It seems to me that the standard set by the National Association in the establishing of the American College of Life Underwriters and the creating of the degree Chartered Life Underwriter is without any doubt whatever the most important forward-looking and far-reaching development life insurance sales training and education has ever known. It is going to have an immeasurable effect on our second hundred billion.

I am only too well aware that I shall not be able to discuss all the phases of growth that will occur to us, but in mentioning a growth of technique, a growth of thoroughness, a growth of leadership I believe that we have covered the most important. What we need now is to agree upon some check which will serve as a measuring rod of progress; and obviously, this measuring rod is production. In the long run, technique is only valuable if it will increase our business. Thoroughness is measured by units of production. Leadership stands or falls by the results it gets.

So when we conceive a program of growth, we lay down a program of production.

The second hundred billion is our program of production. Now what is the

(Continued on page 15)

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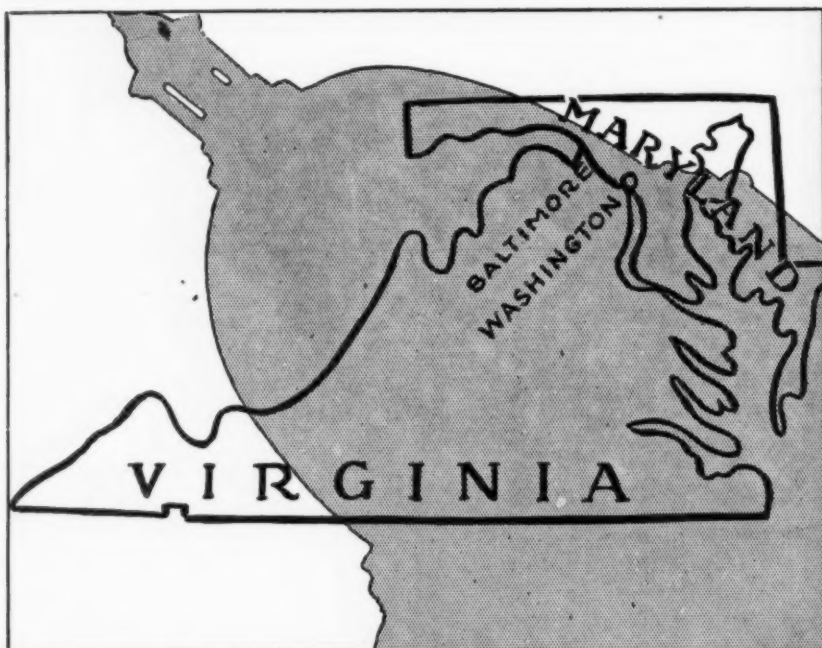
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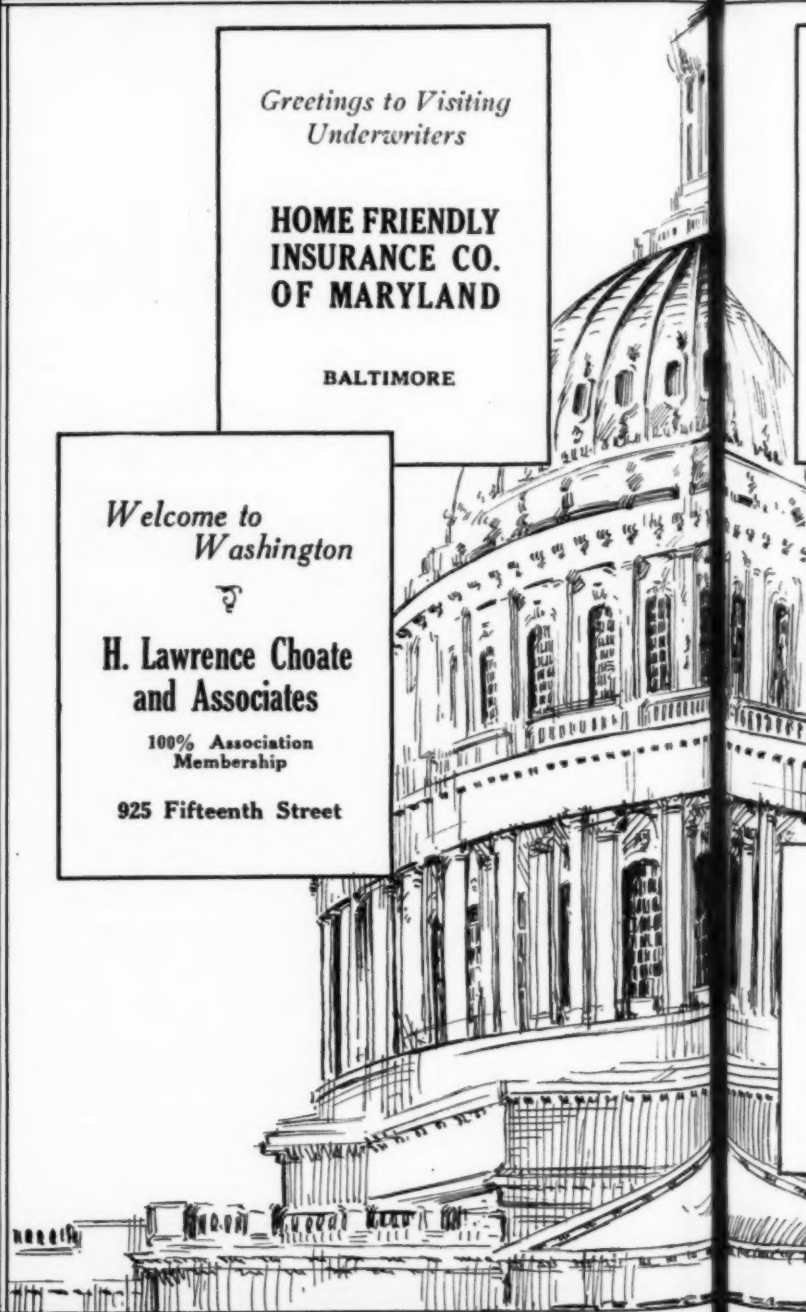
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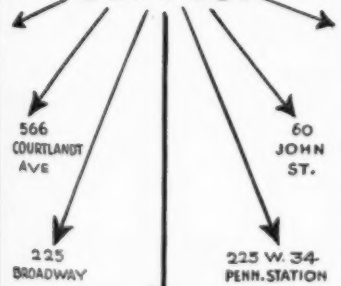
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THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Conserve Life by Examination

History of Life Extension Institute and Results Obtained are Described

GREAT SAVING IS SHOWN

Suggestion Made that Special Policy be Offered to Men Taking Annual Physical Tests

BY HAROLD A. LEY

President, Life Extension Institute

Mr. Ley was formerly connected with the Massachusetts Mutual Life, starting as an office boy in the actuarial department, and had a good background of life-insurance training before he organized the Life Extension Institute in 1913. He has been at the head of that organization since that time. The subject of his address was "The Conservation of Human Life in the Era of the Second Hundred Billion."

In 1909 a life underwriter was trying to induce me to take out some more insurance. When I agreed to take an additional \$20,000 he suggested that before the application was filled out I go over and have a laboratory test made and if the report was satisfactory the cost of the test would be paid by the company, but if it did not turn out satisfactorily, I could pay for the test myself and then I would not go into the records of the company as having been rejected. I agreed to the proposition, but I said to him:

"It seems to me that your company has enough at risk on my life so that it should be willing to pay \$5 to know whether there is anything the matter with my kidneys. How much am I worth alive to your company?"

Prolonging Life Means Big Saving to Company

I was carrying \$55,000 with that company at that time. I figured that the interest on that \$55,000 for one year at 5 per cent would amount to \$2,750; and I was paying the company \$2,000 in premiums. Therefore, prolonging my life one year would show a saving to that company in interest and additional premiums, of \$4,750. It occurred to me that there might be something the matter with my kidneys and that if there were and I could discover it, this might result in prolonging my life five years, in which case the company would save five times \$4,750, or \$23,750.

So the thought came to me: Why wouldn't it be a good idea to start a company to do this work for all the life insurance companies and in that way save duplicating a lot of work?

From 1914 when we were organized to the present time we have examined between 750,000 and 1,000,000 people (mostly policyholders) and the studies made by two different companies show that we have reduced the mortality rate in their respective groups 18 per cent and 23 per cent. I believe the number of people examined by the Life Extension Institute itself is small in proportion to

the number of persons that we have been instrumental in inducing through our advertising to go to their own physicians for similar work.

Results of Questionnaire of New York Department

In trying to find out what has been accomplished, or is now being done, by life insurance companies in such health conservation work as physical examinations and urinalyses, nursing service and general welfare work, or the sending out of educational health literature, research work, etc., I found that a questionnaire had been sent to all the life companies which reported to the New York department for 1927, asking them what they were doing along these lines. The information in the replies received from 45 companies approached was tabulated. I find that 30 companies were doing practically nothing for health conservation. The other 15 had spent a total of \$6,977,604. These 45 companies received in premiums in 1928, \$1,744,823,511. The total amount spent for health conservation work as defined above was .4 of 1 per cent of this premium income. If the heavy influence of one company is removed, the percentage for the other 44 falls to less than .1 of 1 per cent.

Our experience shows that what the insurance company pays for an examination doesn't begin to amount to what the policyholder's time is worth in taking it, to say nothing of the time and money spent, and the pain he goes through in correcting the impairments disclosed by his examination. I met a prominent insurance agent this summer who told me his examination at the institute cost him \$100 and he had spent \$3,000 to correct the troubles we found; and he was glad he had spent it. The insurance companies directly benefit from all work of this kind.

Results of Studies by Insurance Companies

The following results of studies made by insurance companies show what has actually been accomplished in this conservation work:

1. One study, made on 6,000 lives and covering a period of ten years, showed a reduction in mortality of 18 per cent.

2. A similar study, made on a group of 3,163 lives, also covered a ten-year period. This showed a saving of 23 per cent.

3. Another study showed that among those found with important impairments on the first examination 53 per cent of the impairments had been cleared up at the time of the third examination, which proves how and why the mortality savings were effected.

4. A study made by one of our clients showed 30 per cent fewer lapses among policyholders taking our health service than the general average of corresponding policyholder groups. This is something which ought to appeal to every underwriter in this audience.

I think the life insurance companies are to be congratulated on the work that they have started, but that is all it amounts to. They haven't even scratched the surface on the possibilities of this kind of work.

Our doctors tell me that it is utterly impossible for them to get the necessary information for writing an intelligent report unless they have 100 per cent coop-

eration on the part of the individual who is being examined. You men must realize better than any other group in the world how seldom, for instance, a man cooperates with the examiner when he is applying for insurance. If he even tells the truth in answer to the direct questions that are asked him, he very rarely volunteers any information about any troubles that may be worrying him. Our work has brought out a very interesting state of affairs; that is, that many persons apply for life insurance every year, not so much because they want the life insurance, but because they want to get an independent check-up on their condition. Time after time when they have received a report from us and have had some condition pointed out to them which needed immediate attention, they have questioned our reports because they have just been accepted for \$5,000 or \$10,000 of insurance.

First Objective With Some Is Consummation of Sale

This is what occurs: The man who has been worrying about some particular trouble applies to one of you men and suggests that he may be interested in taking out \$10,000 of insurance. In a great many cases the minute the words are out of his mouth—that he is thinking of buying insurance—his chances of getting a thorough examination on the particular trouble that is bothering him are very remote. There is a class of underwriters, as you gentlemen realize, whose first objective is the consummation of a sale, and getting the man passed by the company's medical department. If the agent finds out, for instance, that the man is worrying about some possible heart trouble and he has a choice of three doctors that he can have examine this man, I doubt whether a majority of the underwriters in this audience will assign that person to the best heart specialist of those three for his examination.

Gets Examination by Most Liberal Doctor

The underwriter gets the applicant examined by the doctor that he believes will give the man the most liberal heart examination. The man is examined and passed as a pretty good risk and very often the doctor slaps him on the back and tells him he is in the best condition of any man he has examined for some time. The fellow goes on his way rejoicing because he is in such fine physical shape and figures there is no use in his worrying about that particular trouble and the underwriter is happy because he has made a sale and got his commission. But the individual has not received what he thought he was going to get. He has his insurance but he hasn't had a thorough examination.

Examinations Inadequate to Discover Weakness

As a matter of fact, when you are soliciting a man for insurance it is utterly impossible for you to get him to take what I consider a thorough examination. It is hard enough now for you to get him examined even when you send a doctor to his office to examine him. If he thinks it is going to take a half-day of his time, he won't bother with it. The point I am trying to make is that the life insurance examinations are perfectly all right for the purposes for which they

Welcomes Guests



HAROLD D. KRAFFT
President District of Columbia Association

are being made, and they are probably just as good as you can get the average individual to take when he is applying for insurance, but they are absolutely inadequate when they are made for the purpose of discovering some major or minor weakness in the man that he wants to have corrected. The minor weakness of today is the major weakness of tomorrow, and the individual must take the time to have these thorough examinations and all these additional tests made in order to find these minor weaknesses.

Experiment Shows Possibilities in Work

We carried on an interesting experiment which showed very conclusively the possibilities in this work and showed what I hope may be accomplished during the period when the second hundred billion of insurance is written. We examined 100 policyholders who were carrying \$25,000 or over and made certain x-ray and laboratory tests which I think should be given to all policyholders carrying large amounts of insurance. These 100 examinations would have cost \$50 a person or \$5,000. We then made a study to see if these additional tests had been of any special value. We found 55 with certain definite impairments. These 55 carried \$2,580,844 of insurance and Dr. Fisk, our medical director, estimated that as a result of these examinations the lives of these 55 men could be extended on the average four years.

Suggest Special Policy for Those Examined Each Year

I do not claim that that four-year item is actuarially correct, but it is based on careful consideration of all the facts. With the interest saved and the additional premiums received on these 55 cases as a result of this one examination the insurance companies could pay the

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cost of examining the entire 100 cases under the same service for twenty years and still have left a profit of over \$700,000—a pretty good return on a \$5,000 investment.

Some day some company is going to issue a special policy to those men who will agree to take a physical examination every year and will agree to put these people into a special class and give them the benefit of the savings that are bound to accrue. A simple, plain, and logical thing to do.

When they do that they will start a new era in life insurance. If the second hundred billion results in really introducing periodic examinations in the right way among the policyholders of this country, the results will prove it to have been the one outstanding event of that period.

As a last thought I want to stress one thing. If you are going to give your policyholders free examinations, do not do it with the main object of writing more insurance. Stress the fact that the company is doing it in the line of rendering a service and that the results are treated absolutely confidentially. The policyholder will tell you all about his examination. While they insist that the results of their examinations be treated confidentially, they all love to tell about their own particular troubles.

There isn't very much that you men can offer your clients except in the way of service. When you can go to a man and tell him that your company is vitally interested in keeping him alive and well and is willing to spend some of its own money to do it, you have something that has a great appeal. If you present it in this way, the new business, which is what you gentlemen are interested in

Creating Second Hundred Billion

(Continued from page 8)

place of the individual in this production program? The production of all life insurance is, after all, merely the sum of the production of the various agencies and of the individuals in the field. The progress of every man has its effect on the growth of the whole institution. Life insurance grows with its growing agents. It stands still or falls behind with those who fail to measure up to the test. Life insurance grows with the ability of the agency managers to develop their territories more fully. It stands still or falls behind if these territories are allowed to lie fallow and uncultivated.

I would like to talk just for a moment about what an individual program of production means. Suppose, for example, we consider an agent who produces \$250,000 of new business per year. At average rates, his first year commissions would amount to about \$3,700. Even though his production remains con-

stant at \$250,000, his income year by year will increase on account of his growing renewal account. In the fifth year his income will amount to about \$5,250 and in the tenth year it will reach its high level of about \$6,250.

How an Agent Can Plan for Growth

But this supposititious agent has no program of growth. He is standing still. What I want to do is to show you what the effect will be on this man's income if he will pause for a moment to think and plan for the future and adopt a program of growth. Let us just see as an example what the result would be if he would determine to increase his business 10 per cent each year.

A 10 per cent increase no doubt will make some additional demands on his energy. For a time at least he could get his 10 per cent increase by increasing the number of his contacts. If his usual practice has been to call on say 30 prospects per week, the new program would require 33. But surely three more calls per week is not too great a price to pay for success.

Eventually he will have to make an improved technique responsible for his increase. If he is able to close say ten prospects out of one hundred interviews this year, is it asking too much to close eleven prospects out of a hundred interviews next year?

Now let us see what would be the result of such a 10 per cent program of growth. At, say, the tenth year the stand-still agent's production would still

be at \$250,000, but that of the agent with the production program would be about \$587,000. The income of the stand-still agent would be \$6,250, but the income of the go-ahead agent would be \$12,750. This is a difference of \$6,500 a year and that is too great a difference to be ignored. To put it another way, that urge of leadership whereby you will make 33 calls where you made 30 before or close 11 prospects where you closed 10 before or sell \$5,500 where you sold \$5,000 before, is going to be worth \$6,500 more a year to you if you are willing to look ten years ahead and adopt a production program—a growth program.

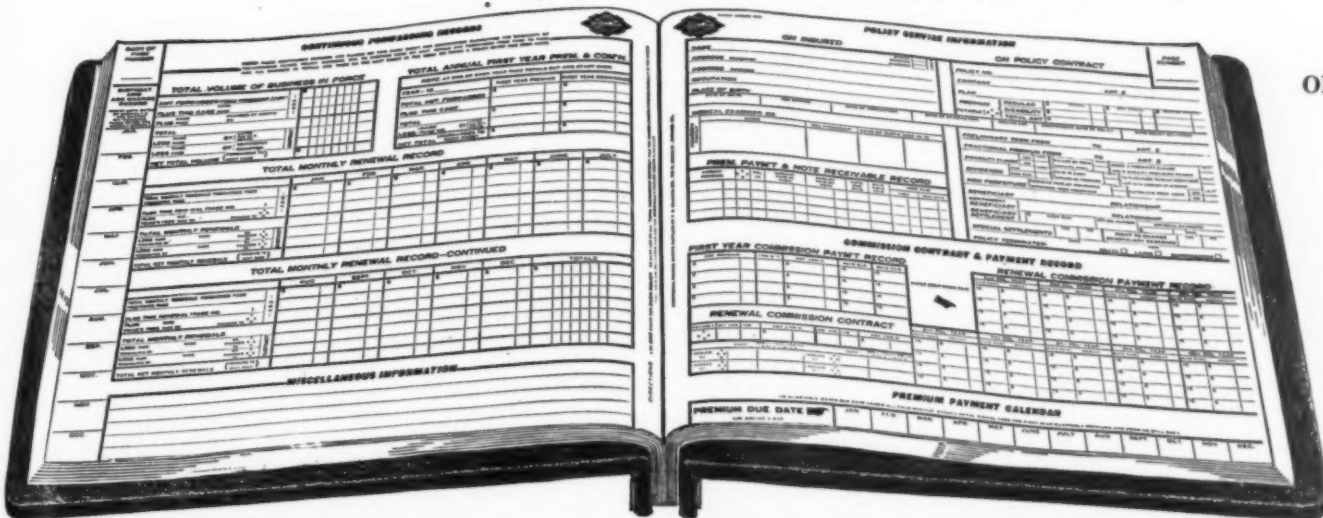
You are really buying one of these deferred annuity policies with the income commencing ten years from now and I will tell you that that policy pays dividends in the meantime that will make anything else look sick in comparison. The premium on your policy is three more calls per week or perhaps one more unit in your technique. Pretty low cost, that policy. When it reaches maturity it's going to pay \$6,500 more a year to you and its guaranteed certain period is only limited by your determination to cling to the principles, technique, thoroughness and leadership. I am talking to you in your language and you know a good buy when you see one.

In the same way, the second hundred billion is to be our measuring rod of the growth of all life insurance. Still I don't think we are thinking of it as just so many billion dollars of money. We aren't meeting here today to congratulate ourselves on how big and

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powerful we are becoming or to make capital for ourselves out of the trust the country is reposing in us. We are really making a symbol of our second hundred billion—a symbol of the progress and development of the oldest and best investment trust the country knows. To me the second hundred billion is a symbol of the growth of our technique in the planning and marketing of our product, of a growth in our thoroughness in carrying these plans to execution and, as a mantle folded over both, of a growth in our leadership.

Down in the laboratory of the Bureau of Standards they say they have a big magnifying glass more than three feet across. It's just a big edition of the little burning glasses we used to play with when we were boys. This great glass catches the sun's rays that strike its smooth surface and focuses them on a single point a few feet beneath. That point is hotter than a blow torch. It will cut through a steel plate like a hot knife cuts through butter.

This terrific heat—it can't be measured, it melts all instruments—is just a few feet of ordinary sunshine concentrated on a single spot. Scattered, these rays are hardly felt. Concentrated, they will plow through anything.

The same principle applies to human endeavor. Scattered, men's energies do not amount to much. But once they are concentrated on some task at hand, joined together in some problem to be solved, seemingly tremendous difficulties are sheared through with ease and dispatch.

The task of creating the first hundred billion was completed only a month ago. Let us then so shape our plans for the second that we may echo Thorwaldsen, sculptor of the Lion of Lucerne, who when asked which he considered the greatest of his works replied "My next."

Get Confidence of Prospects

(Continued from page 6)

too far. Be that as it may, in all of my experience I have never lost a single case by such methods.

My opportunity to test out this theory came very early in my career as a life insurance agent. After two or three conversations with the principal owner and officer of a large merchandising company, he concluded the conversation with these words: "Very well, go ahead and insure me for \$250,000." This offer was as surprising to me as it was sudden and I wondered whether my prospect had had an opportunity to go as far into the matter as he thought he had.

Way of Handling Business Gained Permanent Confidence

I did not act at once, but called upon him a few days later, when he seemed surprised that I had not had him examined and the policies issued; in fact, he intimated to me that he might have changed his mind. I replied that if I had arranged the matter at once, as he suggested, put the insurance in force and he had changed his mind, it would have been a most unfortunate thing for me. He informed me that my methods were different from those of other agents with whom he had had dealings, but he felt that my plan was a safe one to follow. My way of handling that business gained me the confidence of that particular prospect and he turned over to me the permanent control of his life insurance business.

Unless my policyholder feels, as long as his contract is in force, that he has a good bargain, I can not consider the sale a fortunate one for me. If the policyholder feels that he has bought something that will be permanently desirable from his point of view, the agent who sold it has a permanent asset in the goodwill of that particular policyholder.

Demonstrates Possibilities in "Self-Salesmanship"

Another case in point which demonstrates what can be called "self-salesmanship" on the part of a business man that I had known quite well for a number of years and in whose presence I have never referred to the matter of life insurance. He, on the other hand, frequently referred to the subject and seemed to enjoy letting me know how impossible it was from his point of view. One day we were taking lunch together when it occurred to me that one of his best friends had recently died. It so happened that this friend's estate was somewhat involved, although the promiscuous assets were very large and he was considered a very wealthy man. It was very clear to my prospect, as well as to many others, that a substantial amount of life insurance would have been a life saver for the estate. I merely asked, "Did you see what happened to our friend's estate (mentioning his name)?" My prospect did not reply at once, but looked out of the window for five minutes. When he turned again and looked at me he said, "Yes, his estate needed cash." He then turned away again and looked out of the window for another five minutes.

I said nothing because I saw that my first question had struck home like a dart and started the reasoning processes going in his own mind, which seemed to me wise not to interfere with in any way. When he turned again, after gazing through the window at the open spaces, he asked just one question: "How much would it cost me to carry \$800,000 of life insurance?" I replied, offhand, approximately what the cost would be and that closed the conversation on the subject. You can see that it required only a suggestion from me and

MANAGERS WANTED

The men we want do not generally answer an advertisement of this kind. We have managers' positions open in Alabama, Mississippi, Louisiana, South Carolina, and Tennessee which pay, in addition to all office expenses, liberal salaries, overridings, commissions, bonuses, and renewals.

This may be your opportunity to express your sales and organizing ability beyond that afforded by your present connection.

You can write us with the knowledge that all communications will be kept in strict confidence.

Protective
LIFE INSURANCE CO.
BIRMINGHAM, ALABAMA

the imagination of my prospect did the rest. I merely suggested a line of thought at a time when it would prove most effective. The next day I saw the same man again and he asked me if I had the exact figures. I said, "No, I am not quite ready to present details as this case is so important that I should prefer to think it over for a day or two before coming through with my final proposition." He said, "Well, I think you had better have the medical examiners see me." I did so and started in to secure the policies, which he took as rapidly as they were presented to him.

This case reminds me of another phase of my work which has been commented upon to some extent by the press, and that is not to introduce the subject of life insurance, but let that take care of itself. It might be supposed that this would involve considerable delay. As a matter of fact, it does not in almost any case that could be otherwise interested. Insurance is my business. I never meet a man for the first time without letting him know all there is to know about my insurance record. From the point of view of many of those men, they know the worst there is to know about me and I trust that from that time on, if there is any change in the status of our acquaintance, it will be for the better. If he needs any insurance, the subject is almost certain to creep into the conversation sooner or later, without its being brought up by me. If I can so establish my contact with my prospect as to give him confidence in me, everything else will take care of itself.

Not Through Winning Prizes; What Does It All Mean?

I do not think I am through winning prizes yet, although I may not exceed again my record for the last fiscal year, ending May 31, 1929, which exceeded the record of any previous year by over 21 per cent. What does it all mean and what have I been able to get out of the business? I have been enabled continually to broaden my acquaintance among men who are doing big things in the world of affairs and I have sought their acquaintance not because I expected to sell them life insurance, but because their part in the world's work was exceedingly interesting to me. I rarely sell insurance to a man with whom I have not previously become well acquainted for reasons other than those connected with insurance.

If I attempted to set down the means that seem to me of chief importance in winning confidence for a salesman, I believe I should stress the following five points:

1. He should have a worthy product. If he himself is the "product" he is trying to "sell," that of course means right thinking and right living.
2. He should have a thorough knowledge of his product.
3. He should be able to demonstrate the product clearly and forcefully, but without unnecessary flourish.
4. He should cultivate restraint—he should allow the other man the privilege of forming his own opinion after the facts are presented.
5. He should watch the character of the people with whom he associates and does business, and he should be assiduous to merit their good opinion.

These methods beget confidence, and confidence is at the root of all satisfactory relations between men.

Dr. S. S. Huebner of the University of Pennsylvania, dean of the American College of Life Underwriters, who arrived Monday to attend the meeting of the college trustees, had to leave that night to meet some other speaking engagements, but will be on hand Friday to give the convention his report on the work of the college.

Equitable Southern Men Hold Meeting

Roy R. Hale, superintendent of agencies for the southern department of the Equitable Life of New York, took over the reins of office publicly this week at the annual educational conference of the southern department, held in Washington, D. C., the two days prior to the opening of the convention of the National Association of Life Underwriters. The conference, presided over by Agency Vice-president Frank L. Jones of the Equitable Life and attended by a large home office delegation, was one of the largest thus far held, the huge convention hall which is housing the National association convention being practically filled by Equitable men. Mr. Jones said, in his prefacing remarks, that the southern department had surpassed all sections in their progress during the fiscal year and thus had qualified more men for the sessions than in any previous year.

"Cooperation" Keynote of Two-Day Conference

"Cooperation" was the keynote of the two-day conference and the sessions were built around two specific phases of this,

the first day being given over to a discussion of the cooperation of the home office in respect to the public, the policyholder and the agency force, while the second day was given over to consideration of the cooperation of the field force with respect to the agency, the home office and the client. Vice-president Jones opened the session with a basic consideration of the theme, describing cooperation as a fundamental principle of life. William Alexander, secretary, then traced the 70 years of cooperation shown by the company's history. Vice-president William J. Graham discussed cooperation with the public, and the various home office departments were then treated by Vice-president Leon O. Fisher of the accounting department, Vice-president R. D. Murphy of the underwriting department, Assistant Secretary Arthur H. Reddall of the advertising department and Arthur M. Spalding, director of agents' training. Paul F. Clark, president of the National Association of Life Underwriters, was present as a guest and spoke on national cooperation.

The second day's session was given over largely to the field force, Mr. Jones opening with a talk on the accomplishments of the year in the southern department. He then presented the new

southern superintendent of agencies, Roy R. Hale, who gave an inspirational talk which won for him a ready reception from his southern organization. Harold C. Nolting, who has just been promoted to the superintendency of metropolitan New York territory, then spoke in farewell. Following this there were talks by managers, unit managers and agents on the various phases of field cooperation, and Mr. Jones closed the conference with a summing up of the general theme and a presentation of a goal for the coming year.

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Central Life's 33 years of steady, substantial growth is attributable to four fundamental factors: Sound Investments, Low Mortality, a Mutual Company and a Loyal Satisfied Agency Force. Central Life is *Old* enough to be thoroughly established but *Young* enough to offer exceptional opportunity.

We now have two openings available.

Central Life Assurance Society

(MUTUAL)

T. C. DENNY, President

DES MOINES

IOWA



Clark Reviews Work of Year

(Continued from page 2)

that is, national in its setting here in the capital city of the nation, and national in its program and the wide reach of the subject matter. The realization of this ambition I shall not attempt to prove, but I do ask you to bear it in mind as we go on together through the next three days.

Let me touch on two or three other points not designated as objectives for this year, but worthy, I believe, of your particular attention.

Improvement Made in Life Association News

The first is the change and, I think you will all admit, the improvement in "Life Association News," due very largely to the excellent work of its editor, our assistant managing director, M. L. Hoffman, and Wilfred E. Jones, associate editor and advertising manager. There is no need for me to dilate upon details in talking about "Life Association News." Either you agree with me that it has improved tremendously or you do not. In the first case, I think your judgment would be excellent. By this I not only mean that it has become a better life insurance publication but that it has become a first class association journal, which if regularly read and studied will make us all feel that we are a part of a great national institution, quietly working for the best interests of its every member through every avenue which presents an opportunity for creditable service.

In referring to Mr. Hoffman, may I also commend the fine work which he is doing in keeping the machinery in good order. We owe a great debt to the Cleveland association for discovering and developing Mr. Hoffman, but more particularly for their willingness to release him for our broader service.

At this time, I should also like to refer to the many years of service which Everett M. Ensign gave to our association. Mr. Ensign resigned as of March 31, 1929 after eighteen years as executive secretary of the association, a large part of which period he also edited "Life Association News."

Suffice it to say that our new organization makes a fine beginning under a conception of management, embodied in our new managing director, which calls for first class handling of the routine work of the association at national headquarters, real editorial and business ability and a much broader contact with the local associations and their membership.

Trust Company Cooperation Constantly Developing

Trust company cooperation, while not made an outstanding feature of this year's program, is constantly developing in all parts of the country, especially, of course, in the larger cities. I have been much impressed with some of their printed matter available for distribution, and believe that cooperation through the use of leaflets, booklets, trust deed forms, etc., can be made more and more effective, particularly if our members who do not consider themselves fully equipped for this form of service will work on the line of making contacts and then cooperating with trust officers to the limit. As the program goes forward, I think you will find constant references to the tremendous development which trust company cooperation is bringing about, all based on the fundamental idea that we should like to be of service not only in helping to create and supplement an estate, but so far as possible in leading our policyholders to make the best possible distribution to their beneficiaries through life insurance options and trust com-

pany service. I should like to pledge all of our members to a better and better appreciation of and cooperation with this form of service wherever it can be of value to our policyholders.

Study of New Local Association Manual Urged

Roger Hull's five-year program will undoubtedly receive your careful study and I believe that such a crystallization of our ideals from the viewpoint of one who has been studying them intensively, and who has come to that study without any of our old prejudices, will prove of deep interest to you and will also help us to chart our course for the immediate future. We need such aims and ideals constantly formulated and improved to keep us progressive as well as practical, and to give us an answer for any life underwriter who asks the question "Why should I belong?" I also ask you to study the manual of "Local Association Practice" which will be distributed soon after the close of the convention, and which should prove a real help in local association work. It is the culmination of years of experiment and practice and only through its use, amplification, and improvement will it justify the very considerable expense which the association

is putting into its publication and distribution.

Appreciation Extended To Other Organizations

I wish that I had time to express fully the appreciation which our association should feel for the treatment we have received at the hands of great allied organizations not otherwise referred to in this address; particularly, the Association of Life Insurance Presidents, the American Life Convention, the Agency Officers' Association, the Sales Research Bureau and the General Federation of Women's Clubs. The last named, like the trust company division of the American Bankers' Association, is coming to cooperate with us so that I feel like including it in the family of allied associations just as I do those which are distinctly connected with our own particular business. As your representative I have spoken during the year before all of these organizations including a talk which I made in New York in February at the mid-winter conference of the trust officers, and an address at the biennial conference of the General Federation of Women's Clubs at Swampscott. On all these occasions, I was most cordially received. The thought cannot be too frequently expressed that this is a day

of broader cooperation and that we must keep that great principle in mind at all times. We are very fortunate in having such relations with organizations interested in the welfare of the family and the estate, who are willing to cooperate with us at so many important points.

Without disparaging any one else, I wish to recognize particularly the splendid services throughout the year of Julian S. Myrick, chairman of our national executive committee, Robert L. Jones, our treasurer, and Mansur R. Oakes, field consultant.

Strong Galaxy of Speakers Secured

We also recognize very heartily the continual weekly and monthly support of the insurance press. This is peculiarly emphasized by the presence here of so many distinguished representatives of different journals and by the remarkable publicity which they give to our proceedings. Similar credit is, of course, due to a large extent to the local press of the city of Washington. I think you will agree with me that this city is far enough south to have a type of hospitality for visiting strangers which will remain long in our memory. We enthusiastically recognize the many matters which are being done largely under

WHY ARE SPRINGFIELD LIFE AGENTS SUCCESSFUL?

Operating in

OHIO

MICHIGAN

INDIANA

ILLINOIS

MINNESOTA

IOWA

MISSOURI

KANSAS

OKLAHOMA

TEXAS

CALIFORNIA

The Answer is Simple. Ours is a Company that is sincerely interested in its Field Workers. An interest that is more than cleverly written advertising copy for publication in the Insurance Journals. Our Executive Family believe and know that successful Agents are the very bone and sinew of the Company. To serve them 100% is their one thought.

Our Service is not mere idle chatter. It is a real effort to issue a policy on every insurable person. We issue both Standard and Sub-standard. Our occupational ratings are fair and liberal. Men and women are accepted on the same basis.

We issue all standard forms of old line, legal reserve, participating annual dividend policies. Our net cost is on a low competitive basis. Every policy we issue may be sold with premiums payable annually, or in semi-annual, quarterly or monthly installments, from the first year on. We have had 32 years experience with monthly premiums and have the necessary equipment to handle such business.

We write non-medical on very favorable conditions. Regular adult policies are issued to children from nearest age 10 up. We have a new policy for \$1.00 a month, issued to Children as low as one day old and adults up to age 60. Our Agents are writing the entire family. Have you ever considered what this might mean to you?

Our Agency Contracts are liberal and fair. Non-forfeitable renewals are given without a service clause in the contract. We pay an exceptionally high second year renewal.

Specific information will be given upon request.

Why not Serve and Succeed with The
Springfield Life Insurance Company
Springfield, Illinois

A. L. HEREFORD, President

WM. SCHMIDT, Vice President

CHAS. J. REIFLER, Vice President

L. M. DIXON, Secretary

C. L. SIMMONS, Treasurer

the leadership of our local association committee to make pleasant our stay in Washington and I only wish to express the warning that we do not let these hospitalities interfere with the important business of the convention. I can say this with much emphasis because I cannot remember a convention when we owed more to a splendid galaxy of strong speakers. You will give them proper recognition as they appear before you, but I wish to express at this time our general appreciation of their high character and their generosity in coming here to address our national convention.

This means, of course, in a large measure, that the chairman of our program committee, J. Elton Bragg, has again scored 100 per cent as the greatest living program builder. I know you will want me to recognize in advance the work that he has done and in appreciation will assist him by prompt attendance up to the last minute of this convention so that we may carry the program through on schedule and with as few interruptions as possible.

Having referred to some of the leading individuals who have performed special service during this administration, let me simply add that it has been a very great honor and a real pleasure to have served you all during the past year. Hundreds of members to whom I cannot refer individually have helped the association to carry on all over our great country and many of them have performed special tasks which call for great and unselfish loyalty to our cause. Let me thank each of you individually for your wonderful support and cooperation.

The Era of the First Hundred Billion

All of us connected with this convention and interested in its success as a truly national convention should be duly grateful that the first hundred billion of life insurance in force was reached in July. I am sure that we do not want to claim all of the credit for this magnificent result in spite of the fact that our 20,000 members out of a total of about 200,000 licensed agents have produced 85 per cent of the life insurance business of the country. Let us be generous in recognizing the work of the other 180,000 and hope that they will advance from agents to life underwriters by joining our ranks. We also recognize with due humility the contribution which the officers and the home office forces and all of the other great army of organized life insurance have played in attaining this marvelous result. It is particularly appropriate also, since with the home offices of our great companies we are commemorating this achievement, that we should have four of the presidents, as well as several of the other officers of the companies, taking part in our program and celebrating with us. The press of the country has recognized this accomplishment as a proof of the high standing of life insurance in the United States, but I am sure that that alone was not needed to justify our emphasizing it at this convention and in making its theme center around our opportunities and obligations as we start to put in force on the lives of the people of this country the second hundred billion.

The Era of The Second Hundred Billion

As we well know, the sixty million or more policyholders on whose lives this business rests represent every walk of life from the industrial wage earner to the millionaire. The acceptance of life insurance by so many Americans not only proves that the multitude of agents have devoted untiring effort to the cause but also demonstrates without question that our institution has arrived at a point where it is generally approved by all classes of the American people as a vital part of their economic and financial programs. But when we realize the

present prosperity of this country, the greatly increased and increasing earning power of its people, our expanding population, our national trend towards thrift and prudent foresight and when we appreciate that great as this amount of life insurance is, it just about equals one year's income of the American people, we see the need for the second hundred billion and the great opportunity that lies before the underwriters of the country to place it in force within comparatively few years. This brings me close to the theme of the convention and admonishes me to go no further lest I cover in a superficial way some of the great aspects of the era of the second hundred billion which will be treated much more thoroughly and effectively by our splendid list of speakers. Before we leave Washington, I think that every one of us will appreciate, as we do not even now, the importance of having passed this great milestone in American life insurance and the opportunity for service, satisfaction and profit which lies before us as we enter upon the second mile.

May we even hope that the inspiration derived from this convention will play a real part in the broadening of our vision, so that we may be able to fulfill the expectations of the Association of Life Insurance Presidents in their hope that the second milestone may be reached in another decade—three quarters of a century sooner than the period covered by this present achievement.

Life Insurance Market Wider

(Continued from page 3)

knowledge general approval of the theory of life insurance, convinced of its usefulness, the conviction does not flower into spontaneous action calculated to apply the theory to practice, save in rare cases. In other words, there must be work done by life insurance men to transform intellectual conviction into the emotional impulse to sign the dotted line.

"So it appears you must as heretofore, though not so single handed, continue to seek, find and persuade. Growing public familiarity with the institution, now so huge as to command notice from its very size, will no doubt continue in measure to assist your work as the days go on.

Institution as Such Needs No Advertising

"The institution of life insurance as such needs no advertising, although its main uses and new adaptations may with profit be spread before the public. This would not involve continuous programs. Continuous publicity will no doubt be employed by individual advertisers, each with his own objective. And so the helpful process of education will be forwarded, as life companies and other interested forces on occasion display name and services in the press generally. But after all, the procuring of applications from healthy people, in whom the instinct to live begets the buoyant certainty of long life for them, is an individual task. Those are the very people you are after. They are not too easily moved to pay good money to make more secure their future life-value or to help secure value already accumulated, all for the benefit of someone else even though the verdict of society is that they owe that someone else a duty in the matter.

Insurance at Marriage Would Make Happier Homes

"What should be the position before the bar of the community's judgment of a man who marries a woman without availing himself of this ready and

Pacific Mutual Men Hear Parsons' Plan

Arthur C. Parsons, vice-president and newly appointed superintendent of agencies of the Pacific Mutual Life, made his first announcement since assuming that position in regard to his plans for the reorganization of the agency department of the company, at the meeting of the Pacific Mutual General Agency Association in Washington Tuesday.

His announcement embraced three major features. The first was his plan for additional man power through dividing up the territory of some of the present general agents. He stated that in some cases where an agency tries to cover an entire state practically all of its production is within 20 miles of the city where the agency is located. In order to develop the unworked territory more intensively, new general agencies will be established.

Training School for New Managers Planned

The second announcement concerned the plans for a training school at the home office for new managers and general agents, which was outlined in some detail. It was stated that no new contracts will be made hereafter except with men who have taken this course or some other of similar character.

The third was the division of the country into zones. Two zones are being established at this time, with the number to be increased materially later on. An assistant superintendent of agents

well-known means of making good in part his obligation to her? If all the brides would insist on a good life insurance on the groom before going to the altar, there would be some happier homes and fewer widows left without resource of any material sort. We cannot go so far as to agree that such a thing should be compulsory, because we do not like economic or sumptuary compulsion through statute law, but there is a moral obligation on the part of almost every one to carry life insurance, if he can, in these days, as an implied duty to society. But as action on this point must arise from the free will of the people, there is where the service of the life agent demonstrates itself and justifies him as a social factor.

"These considerations infer the existence of a technique necessarily sensitive and responsive to social and commercial progress or change. And so it must be. There can be no standing still while the rest of the world goes by.

Wider Adaptation of Instalment Principle

"What business and even finance have found it expedient and necessary to do by way of adaptation of goods and services and by way of approach for public recognition, we may well study for our own adoption though necessarily within a somewhat narrower limit of scope. Perhaps for one example a broader adaptation of the instalment payment principle adjusted to periods of income might result in the increase of individual insurances in more adequate measure without corresponding strain in the individual resources. Surely if this be worthy in things of less importance, it is a worthy possibility in life insurance.

"And so, without multiplying instances, we may assume that as our methods and devices remain static we shall fall short, and per contra that our rightful success in days to come may turn in some material degree upon just how well we adapt our course to the trend of the times."

will be appointed for each of these zones, who will spend practically all of his time in the field, making contacts with the agencies of the company. Mr. Parsons said he felt that this contact had not been maintained as it should in the past, due primarily to the lack of personnel available for that purpose. He expressed himself as opposed to the idea of any reduction in commissions.

No Danger of Reaching Saturation Point Soon

He said that the Pacific Mutual has a reputation as a conservative company and that there would be no change in its policy in that respect, but that while there would be no drive for volume there must be an orderly and normal increase and that the new features being introduced at this time are intended to bring that about. That there is no danger of life insurance reaching the saturation point was emphasized by his reference to the fact that the first hundred billion has recently been attained, but that this represents only one year's earning power of the nation.

Research Bureau Conducts First Day's Session

Monday's session was given over entirely to a managers' training school conducted by the Life Insurance Sales Research Bureau, with addresses on specific phases of agency management by John Marshall Holcombe, Jr., H. G. Kenagy, Stanley G. Dickinson and L. B. Hendershot. Tuesday's program, in addition to the address by Vice-president Parsons, included talks by Frank Flitts, F. B. Schwenker, who presented in some detail a plan of advertising by general agents; Walter G. Gastil of Oakland, Cal., who illustrated to these in attendance his plan for a sales kit, adaptable to agents of different degrees of experience and to the sale of different forms of business; C. C. Day of Oklahoma City, who outlined his standardized plan for starting new agents, and Vincent Coffin, director of education of the Penn Mutual Life, who spoke on "The Heart of the Manager's Training Problem."

Provide for Appointment of President's Committee

John H. Russell of Los Angeles, president of the association for the past year, presided at all the business sessions and Mr. Parsons acted as toastmaster at the banquet Tuesday evening, when the speakers were Abner Thorp, Jr., manager and editor of the Diamond Life Bulletin, and Mansur B. Oakes of the Research and Review Service.

Mr. Russell was reelected president of the association, with Harry Fabling as vice-president and M. D. Sennette secretary-treasurer. The three new members of the executive committee are Walter G. Gastil, Lee B. Scheuer and R. J. Wetzel.

Provision was made for the appointment by the president of a president's committee of three, to work with a similar committee of home office executives recently appointed by President George I. Cochran of the company in order to bring together the viewpoints of the office and field on important problems that may arise.

Vice-president O. J. Lacy, of the Minnesota Mutual, came in Tuesday with Harold J. Cummings, superintendent of agencies of that company, who was on the program for Wednesday's session.

Jackson Maloney, vice-president of the Philadelphia Life, was one of the early arrivals.

Million Dollar Men in Session

An annual business of at least \$100,000,000 was represented by the underwriting talent present at the "Million Dollar Round Table" breakfast which just preceded the convention opening Wednesday. Over 50 men, presided over by George E. Lackey of Oklahoma City, and all producers of at least \$1,000,000 last year met for their annual conference and exchange of methods and ideas. These men who amass such huge totals each year contributed of their field experiences and many interesting tales of how they do it filled a two hour session at the breakfast.

Arthur W. Stebbins of New York, "the insurance king of Hollywood" as he was once called by "Jackie" Coogan, was present for the first time and told of his work in putting the life insurance on a business basis among the moving picture people of the country. Mr. Stebbins, whose production approaches the \$10,000,000 mark annually, said in part:

"I have been in the business about 25 years and I consider myself rather fortunate to have been able to associate with the people of the motion picture industry during part of that time. About ten years ago I thought the motion picture business was going to be a very profitable business and I took it upon myself to specialize in that particular angle of this business at that time. Well, I can only consider myself fortunate that I had the foresight I did at that time."

Simple Proposition to Write for Some People

"Today it is a very simple proposition to write insurance for that class of people. They are making money very fast and it really isn't a great effort to go and sell those people insurance. Often times I get telephone calls. It may sound unusual, but I often get calls to come over and write people life insurance."

"When I first started in writing insurance on motion picture stars for their managers and executives I would write just what they asked for. If they said, 'I would like to insure Valentino for \$100,000, or Mary Pickford for \$1,000,000,' that was what I would write. It looked like a soft thing to me."

"After a time if they told me that they wanted a million-dollar insurance policy, I just wouldn't write it. I would sit down and talk to them, and finally get the real value out of it they should have."

Plays Golf with Insurance as Stake

"In addition to getting orders for life insurance so easily from these people, there are so many of them who are golf enthusiasts, and it is a very simple thing to go out on a golf course with them and play each hole for, say a \$50,000 policy, or a \$100,000 policy, and knowing the caliber of golfers they are, I am very liberal with handicaps."

"Recently a chap came in from Los Angeles and he said, 'I am up on my game and if you are a good sport I will tell you what I'll do. We will play 18 holes of golf and I will play you for \$50,000 a hole. If you lose you pay my premiums. If I lose I will pay your premiums besides taking out additional insurance.' I wrote that fellow for fourteen \$50,000 policies."

Realizes They Should Have Inheritance Tax Insurance

"Another way that I consider myself fortunate in working with these people. In earning the amount of money that they have been earning, they have been building such tremendous estates, and is a very simple thing to get them to understand that they should have inheritance tax insurance. One particular man I have in mind, on my last visit to

California, I wanted to see him but he was very busy. Incidentally, he is a very dear friend of President Hoover's."

"I said, 'I would like to see you and talk to you for about five minutes about your insurance.' He said, 'No, I am awfully busy. I have got to go to Palo Alto and see the President. Can't you come in again?'"

"I said, 'I would be glad to but in the meantime I would like to have all of your policies to make a complete analysis so I can tell you exactly what you have the next time I come in.' He said, 'Fine.' I took his policies back to the office and had a complete analysis made. I called him up for an appointment and he said, 'Come right in.'"

Provides Coverage for Estate of \$8,000,000

"I told him I would take only ten minutes of his time. He was rushed to death, had directors and executives and everybody around him waiting. He begged to be excused from these other people, and to make the story short, I was with him one hour and a half. This man has an estate of approximately \$8,000,000, and I said to him, briefly speaking, 'Your will provides that you are going to leave so much to A, B, C, D, and so forth, and I believe it is your intention that if you should die that A is to have so much, B is to have so much and nothing less, and so on with the others. You are a pretty good sport. Would you invest \$40,000 or \$50,000 a year to guarantee that your estate would be left intact in the event of your death today?'"

"He said, 'What do you mean?'"

"I asked him if his money was tied up in liquid assets and if he should die today if he would really leave an estate of \$8,000,000. He said, 'No, I presume there will be a 15 or 20 per cent liquidation.'"

"I said, 'That is what I am trying to tell you. If you would invest \$40,000 or \$50,000 in this today, your estate, when you die, will be left intact.' He said, 'That is marvelous, if you could promise it would do it.' I said, 'Certainly it will do it. All you have to do is to take out a million dollars additional insurance to take care of the inheritance tax, funeral bills, etc.'"

"He said, 'Can you get that for \$40,000?' I said, 'Certainly, I know I can get that for you.' He gave me his order for the \$50,000, and it may sound funny but he offered me \$5,000 for showing him how he could fix up his estate."

Toronto to Get 1930 Convention

(Continued from page 1)

many members of our association. In view of the fact, however, that Toronto is the only city that so far has extended an invitation for the international convention, and further that the Canadian association has accepted, it seems quite proper and advisable for us to fall into line and also accept the invitation."

The Washington association has made arrangements for broadcasting the address to be given on Thursday by Frederick H. Ecker of the Metropolitan Life. It was found possible to get the time on one of the national broadcasting chains at the hour when Mr. Ecker is to speak.

Home office agency departments were quite well represented at the meeting. Winslow Russell of the Phoenix Mutual and Glover C. Hastings of the New England Mutual, both old-timers at National association conventions, were among the early arrivals of the company contingent.

Advertising Plan Explained

The committee on institutional advertising, headed by Julian S. Myrick, of New York, in its report reviewed the work which has been done jointly with a similar committee of the Life Insurance Sales Research Bureau, headed by M. A. Linton, of the Provident Mutual Life, and the plan of campaign recommended in the joint report of those two committees, under which their companies would bear the expense of the campaign. In that connection the report said:

"We wish to emphasize the fact that the expense and control of the advertising should be borne by the individual companies along the plan outlined in our joint report. If the companies want to pass any part of the expense back to the agency force, it is up to them to do it in their own individual way. The expense, however, allocated to each individual company in proportion, would be so small that it would hardly justify the bookkeeping in making this arrangement."

National Association Not to Raise Money

"We do not regard as feasible nor do we recommend that the National Association of Life Underwriters undertake to raise money to conduct an institutional advertising campaign, independent of the companies. We believe that the control of this institutional advertising should rest with the subscribing companies along the lines suggested in the joint report. We do believe, how-

ever, that if the companies go into institutional advertising that it will result in the different local associations supplementing and backing up this broad national advertising campaign by local advertising, the cost of which will be borne by funds raised by the various local life underwriters associations. Most of this advertising will be done in local daily or weekly papers."

Question of Attitude of Companies Themselves

"It seems to your committee that it is only a question of the companies themselves, first, believing that such a campaign will be a good thing for the business and, secondly, having come to this conclusion, whether they will participate."

"Your committee has decided that it has done everything possible to point out the advisability of such a campaign. Various life underwriters' associations and agency organizations throughout the country have gone on record as believing that cooperative advertising by the life insurance companies would have a directly beneficial effect upon the institution of life insurance. The experience of the Canadian companies is almost conclusive that a campaign handled along the lines in which they have conducted it or even a larger and more comprehensive one, following the lines suggested in our joint report, would have a far-reaching influence and effect upon the life insurance business in this country."

Record Crowd at Initial Session

(Continued from page 1)

acting on the suggestions made in those reports. One of the important steps taken was the creation of a new committee on cooperation with lawyers, patterned after the committee which now deals with trust company cooperation. This was suggested by Franklin W. Ganse, of Boston, in his report as chairman of the trust company committee. He said that to round out the complete estate service, the cooperation of lawyers should be sought to perfect that phase of the transaction. Lloyd Allen, of Boston, put the idea in the form of a motion which was adopted.

Membership efforts will be continued apace this year, George W. Ayars, who headed up the activities of the year and who was praised for his work, stating that the organization might better seek to attain a membership of 40,000 in another year, and certainly the 25,000 goal for five years should be attained. The financial strength of the organization was emphasized in the financial reports and the proposed budget, which was adopted.

Introduce Million Dollar Producers

At the close of the morning session, a group of the million dollar producers, who had been in separate conference, entered and was introduced to the convention. Eight of the 10 leading producers of the country were present, these men alone representing a production well over that of many home offices.

Julian S. Myrick, past president and chairman of the executive committee, rose to present to the convention Mrs. Paul F. Clark, wife of the president, who was cordially received with a burst of applause.

The morning session closed promptly so that the convention could adjourn to the White House lawn, where President

Herbert Hoover welcomed the group and paid tribute to the institution represented. This visit to the White House, by ticket only, was one of the items which prompted a record first morning registration, the delegates desiring to meet the nation's leader and the advocate of life insurance. A group photograph was taken with the President.

Whatley Almost Certain to Be Next President

Present indications are that S. T. Whatley, general agent of the Aetna Life in Chicago and now the ranking vice-president of the national association, will be named as its next president without opposition. That was the forecast made by President Paul F. Clark in introducing Mr. Whatley at the breakfast to the press Wednesday morning, which was attended by a number of the officers of the national association. President Clark and James Elton Bragg, chairman of the program committee, explained plans for the convention and the basis on which the program was prepared. Julian S. Myrick, chairman of the executive committee, spoke of the work of the committee on institutional advertising. Roger B. Hull, managing director of the national association, and W. M. Furey of Pittsburgh also made brief talks.

Home Life Holds Luncheon

All agents of the Home Life of New York who were present at the convention met with James A. Fulton, agency vice president, and H. W. Manning, agency superintendent, for a luncheon Wednesday noon. The honor guests were Garland P. Peed of New York and J. S. Murphy and George E. Murphy of Minneapolis. Mr. Reed of the Robins-Simons agency, was the leading producer in the summer contest of the company and was the company's guest at Washington for the week. J. S. Murphy, as manager at Minneapolis, represented the leading agency, with George E. Murphy as his leading agent. The Home Life holds a luncheon for its representatives present at these conventions each year.

More Than \$80,000,000.00 Life In 9 Years

Re-organized to include Life Insurance in 1920, it is gratifying to announce that we have now passed the \$80,000,000.00 mark of Life Insurance in force. Of this \$80,000,000.00—nearly \$15,000,000.00 has been added during the first seven months of 1929.

B. M. A. salesmen are enthusiastic over their ability to provide for their clients' complete coverage—(Life—Accident—Health)—assuring them a life time income in event of disability caused by sickness or accident—an estate in event of natural or accidental death. The B. M. A. "All-Ways" policy provides complete protection—

"It Pays All-Ways and Always"

Business Men's Assurance Company

Kansas City, Missouri

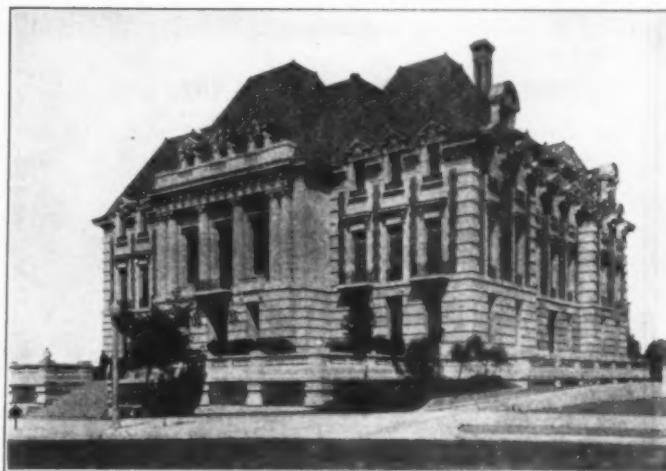
W. T. GRANT, President



"Symbol of Complete Protection"

**More Than \$19,000,000.00 Paid Policyholders and
Beneficiaries Since Organization**

GROW with this Progressive Company



New Home Office Building

We Offer

- Policies all ages, 1 day to 70 years.
- Both Participating and Non-Participating.
- Non-Medical—Sub-standard.
- Disability, Dismemberment and Surgical Benefits.
- Special Monthly Premium Payment Plan.
- Double Indemnity.
- Children's Policies with Beneficiary Insurance.
- Sales Planning and Circularizing Department.
- Producers' Club.

Available territory in seventeen
states West of the Mississippi
River and in Illinois and Florida.

WRITE DIRECT TO HOME OFFICE

Central States Life Insurance Company

James A. McVoy, President

HOME OFFICE: SAINT LOUIS

A True Index of Progress

There Is Only One true index of progress in any life insurance company and that is the amount of new insurance written and paid for each year.

During 1928 we increased our Life Insurance in force from \$100,000,000.00 to more than \$135,000,000.00, a gain of more than \$35,000,000.00 for the year.

So Far During 1929 our new life business is continuing to increase at such a rate as to make our attainment of

\$200,000,000.00 of Insurance in 1930 a Certainty

As Evidence of Our Growth and progress in our Home State we submit the following record of new paid for business in Illinois

1926	\$12,909,001.00
1927	16,112,974.00
1928	31,478,005.00

The Total for 1928 is greater by

\$13,000,000.00

than the new life insurance written in Illinois by any other legal reserve company of Illinois.

The Federal Life is the oldest and largest **Illinois company originally chartered** and ever since continuously operated by its **Founders** as a **legal reserve life insurance company**.

This Interesting Fact is not mentioned to reflect upon the Illinois companies which started as assessment companies, stipulated premium companies or under a charter from some other State or law-making body and afterwards reincorporated under the excellent legal reserve laws of Illinois but to emphasize the wisdom of the founders and managers of a company that from organization has sold as good insurance as it was possible to buy in any company regardless of size or age.

Federal Life Representatives are fortunate and prosperous under a management of such far-seeing vision.

The Federal Life has two departments—one **Life Insurance** the other **Accident and Health Insurance**—with unexcelled policies.

We Offer all popular forms of Accident and Health Insurance including Monthly Premium Policies—an unexcelled Non-Cancellable Life Income Policy for Business and Professional Men. Also a new \$5,000 Non-Cancellable Automobile Accident Policy, easily sold in connections with Automobile Insurance.

If Detached or if having definitely decided to change connections it may profit you to address.

Agency Division

FEDERAL LIFE INSURANCE COMPANY

Isaac Miller Hamilton, *President*

Federal Life Building
CHICAGO

"Human Being Insurance"

THE FRANKLIN LIFE INSURANCE COMPANY

**The oldest existing life insurance company
originally chartered under the laws of Illi-
nois. Organized in 1884**



Home Office—Springfield, Illinois

Legal Reserve Income Disability
Guaranteed Low Cost Double Indemnity
Complete Life Line Excess Interest
Sub-Standard Dept. Liberal Commissions
Non-Medical Applications
Good Territories
Juvenile Policies \$212,000,000 in Force

A thoroughly seasoned company operating throughout the Mississippi Valley—with a long record, a line of policies, and territorial opportunities of the most advantageous character to the fieldman who is disposed to build permanently and well for himself.



Every insurance man should have his personal copy of **The National Underwriter**

The life insurance edition keeps you informed regarding the latest news in life insurance. A staff of 125 correspondents and a brilliant editorial staff makes this possible.

For \$3 a year you receive fifty-two regular issues plus five special editions including the famous Life Payments number.

Don't delay—subscribe today
The National Underwriter
A-1946 Insurance Exchange
Chicago

ROYAL UNION LIFE INSURANCE COMPANY

DES MOINES, IOWA



Royal Union Life Building
Cor. Seventh and Grand Ave.,
Des Moines, Iowa

Has \$145,000,000.00 Insurance in Force.

It has paid to policyholders over \$28,000,000.00.

It is constructive and conservative.

It has an attractive and complete line of fast selling policies.

It is fair and considerate with its agents.

Its steady progress and aggressive methods have been constantly attracting the best type of insurance men.

ROYAL UNION LIFE INSURANCE COMPANY

DES MOINES, IOWA

A. C. TUCKER, President

SINCE



1871

The increasing popularity of the Annuity, in its various forms, most happily bespeaks a future of more widespread security and comfort for America's aged.

Our rates on this highly serviceable investment are exceptionally attractive.

THE LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

JOHN G. WALKER
Chairman of the Board

BRADFORD H. WALKER
President

At your finger tips - - -

All the information you need about life insurance companies, a thorough analysis of policy provisions, 20 year actual histories (net figures), ordinary life 20 year net premiums at every age. Also rates with and without disability and double indemnity, term rates, industrial rates, dividends on term and paid up policies, cash values and other useful data.

This valuable information is given in the Little Gem Life Chart (The Little "Red Book").

Bound in real leather— $\frac{1}{4}$ " thick—contains 720 pages printed on thin paper.

Write for prices.

The National Underwriter Co.

A-1946 Insurance Exchange
Chicago

WHY 54% INCREASE?

The Home Life Insurance Company initiated its present program of expansion and development of the quality idea in 1927. During the first seven months of this year some of the results have been, in comparison with the corresponding period in 1927—

Increase in new business 54%

Increase in amount of average sale 61%

87% of our total business was on policies of \$5,000 and over.

We should be glad indeed to furnish details of our entire program to any man who is interested in the business of Life Insurance and of life agency management as a career and is willing to embark on a thorough going period of training and development and during that period pay the necessary price in time and effort.

□ □

HOME LIFE INSURANCE COMPANY

NEW YORK

Ethelbert Ide Low,
President

James A. Fulton
Agency Vice President

One Hundred Leads Each Day

Each day an average of more than one hundred leads go out to the Fidelity field — good live leads on interested prospects. Millions of dollars of high grade business is being written directly from these leads.

Easier Selling

Fidelity lead service and Low Rate policies make selling easier. Fidelity operates in thirty-nine states, including New York, on a full level net premium basis with more than \$85,000,000 in assets and over \$400,000,000 insurance in force.

Desirable franchises open for the right men seeking a wider and more profitable field of action.

THE FIDELITY MUTUAL LIFE INSURANCE COMPANY PHILADELPHIA

Walter LeMar Talbot, President

W. L. MOODY, JR. President
W. L. MOODY, III Vice-President
W. J. SHAW Secretary
SHEARN MOODY Vice-President
T. L. CROSS Vice-President

American National Insurance Company

HOME OFFICE:

GALVESTON, TEXAS

\$568,557,042.00 INSURANCE IN FORCE

We Have Openings for Live Men in

Kansas	Minnesota	Texas
Kentucky	North Carolina	West Virginia
Michigan	South Carolina	

Under Direct Home Office Contracts

**ORDINARY—INDUSTRIAL
GROUP—HEALTH AND ACCIDENT**

Liberal First Year and Renewal Commissions
Up to Date Policies—Non Medical—Group and Special Low
Premium Plans Offering New and Attractive Features.

If Interested Address

AMERICAN NATIONAL INSURANCE CO.
GALVESTON, TEXAS

UNITED LIFE AGENTS ARE FORTUNATE

Both the scope and the liberality of the unusual benefits contained in our policy make it in truth—"A Policy You Can Sell."

This Policy is in a class by itself combining life and accident insurance in one contract.

Features of the United Policy \$5,000

All in *One Policy*

Any natural death.....	\$ 5,000
Any accidental death.....	10,000
Certain accidental deaths.....	15,000

Accident Benefits \$50 per WEEK for fifty-two weeks \$25 per WEEK thereafter (non-cancellable)
Disability Income, Waiver of Premiums, etc.

Also \$5,000 "Preferred Risk" Policy—high value—low premiums; age 35, \$19.91 per \$1,000. Endowment Age 85—Juveniles age 10 years and upward—Monthly Income—Non-medical. New men given thorough training.

Insures and assures your client's future and yours.

UNITED LIFE & ACCIDENT INSURANCE COMPANY

Concord, New Hampshire

Address all inquiries to EUGENE E. REED, Vice-President

Biloxi Bound!



At beautiful Biloxi, on the Gulf Coast of Mississippi, miles of bridle paths greet those who enjoy horseback riding. The shady paths, bordered with weaving palms, wind about among the live oaks, magnolias and shrubs, with no automobile traffic. What more could man want to furnish relaxation, exercise, or mental relief from long months of business pressure?

The trip to Biloxi in January will be a memorable and gala one for American Central fieldmen who distinguish themselves by attaining membership in the Company's Field Club—an organization composed exclusively of the American Central's best producers.



Just one of the many reasons why American Central representatives are happy and successful.



No. 7 of a Series

A True Story

One year after graduating from a large university a young man found himself out of work and, as occasionally happens at such times, quite financially embarrassed. He needed money at once, but had practically no security on which to base a loan. He did have, however, a Northwestern Mutual policy which he took to the agent who sold him the policy and asked for and received a considerable loan.

This incident proves that every policyholder needs and is entitled to a service which can be obtained only from personal negotiation with a competent and responsible agent.

Northwestern Mutual field representatives are thoroughly trained and equipped with complete information and data regarding life insurance. They can truly be called Insurance Counsellors.

All Northwestern Mutual agents know that life insurance is a service and that their obligation does not cease upon delivery of the policy. They are firm believers in the creed "that those who use life insurance ought to have the assistance and advice of an intelligent and responsible agent at the time of the sale and throughout the life of the policy, if maximum results from insurance are to be procured."

There is still plenty of opportunities in life insurance with sufficient remuneration for sincere, hard-working and unselfish agents.

**THE
NORTHWESTERN MUTUAL LIFE
INSURANCE COMPANY**
MILWAUKEE, WISCONSIN

A Growing Company in A Great City

The Chicago National Life, located in the great insurance center of Chicago and imbued with its spirit of progress has rapidly forged to the front in the world of insurance. Although a comparative newcomer as far as years of existence are concerned, yet nevertheless its aggressive tactics coupled with keen foresight have placed it among the leaders in its home state in written new business for the year.

This marked preference for Chicago National Life protection is amply justified by its splendid record of achievement. Of all the Illinois legal reserve companies the Chicago National Life; in the sixth year of its existence wrote *more new business in its home state than any other company!*

The Chicago National Life feels that such a distinction should be of inestimable benefit to agents. Profitable agency connections are now available in Illinois, Indiana, Iowa, Kentucky, Missouri, Kansas and Ohio.

Write to A. E. Johnson, General Manager, or A. F. Seelig, Agency Manager.

CHICAGO NATIONAL LIFE INSURANCE COMPANY

1400 W. Washington Blvd.
Chicago, Illinois

Intelligent Progression

The Mutual Benefit was organized in 1845, and for upwards of eighty years has been administered by a succession of directors and officers whose conduct of its affairs has merited and received the confidence and approval of hundreds of thousands of policyholders.

Not only has its history been marked by the fidelity, ability, and integrity of the officials who from time to time have been responsible for the Mutual Benefit's financial management, but the Mutual Benefit has also been distinguished throughout its history for intelligent progression in the provisions of its contracts which, with unbroken adherence to sound actuarial principles, have made the Mutual Benefit a leader in life insurance underwriting.

As improvements in contracts have been developed, liberalizing their provisions, the new benefits have been uniformly extended to earlier outstanding contracts, in so far as possible, thus securing to the earliest policyholder the benefits enjoyed by the latest.

THE MUTUAL BENEFIT LIFE INSURANCE COMPANY

NEWARK - - - NEW JERSEY

The Accident and Health Review

"A monthly Paper for Accident and Health Insurance Men"

The Accident and Health Review is the only magazine published which exclusively covers the accident and health field.

Agents everywhere are receiving new ideas and suggestions each month which close that "hard" client.

You can't afford not to read a magazine covering **your** particular field!

Subscribe today!
\$2 a year.

Published by The National Underwriter Company

The Accident and Health Review

A-1946 Insurance Exchange
Chicago, Illinois

We offer high commission paying agency contracts in Illinois, Indiana, Ohio, and Missouri. High commissions mean little, however, if nullified by a hard-to-sell, incomplete line of policies or a high rejection rate. An examination of our policies—especially the NEW special low rate contracts now being issued—will reveal their worth. Recently the company retained an advertising agency which is providing MODERN sales helps in the form of attractively produced advertising literature, prospect letters, etc. A house organ that really helps the agent sell goes monthly to our representatives. The company has no away-out-in-front producers to hog its agency contests. Modern Juvenile insurance adds to the attractiveness of our proposition. We believe that there are many men to whom our company will appeal and it is in hope of your being one of them that this message has been inserted. If you care to obtain further information address E. J. Cotter, Supt. of Agents. Your communication will be treated in strictest confidence.

THE PEOPLES LIFE INSURANCE COMPANY-ILLINOIS. CHICAGO, ILLINOIS.

Seymour Stedman, President.
G.L. Lutterloh, Secretary

Strong Features

Aid Union Mutual Producers:

- Square Dealings
- Liberal Policies
- Financial Stability

Inquire About Agency Opportunities:

UNION MUTUAL
Life Insurance Company

PORTLAND, MAINE

Founded 1848

FACTS

The growth and success of the Berkshire Life Insurance Company has resulted principally from the efforts and success of its loyal field force.

This company is ever mindful of the fact that the Agents' success is the Company's success.

The Home Office strives, at all times, to give complete cooperation and service to agents and policyholders.

"Ask Any Berkshire Agent"

BERKSHIRE LIFE INSURANCE CO.

Incorporated 1851
PITTSFIELD, MASS.

CONVENTIONS

are both a reward and a stimulus
to leading underwriters.

In appreciation of this fact ATLANTIC LIFE each year brings together its "Aces" for three days of pleasure and recreation.

In recent years our meetings have been held at the Essex and Sussex (1927), Chateau Frontenac (1928), and the Jefferson and the Cavalier (1929).

Our next convention will be held in September, 1930, at the Hotel Ambassador, Atlantic City. The requirements for qualification are reasonable and adjusted to assist men who come with us now.

Ask us how you can qualify as an Ace in 1930.



All that this Seal Implies

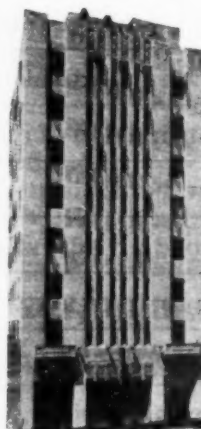
ATLANTIC LIFE INSURANCE CO.

Richmond, Virginia

Angus O. Swink, President

Wm. H. Harrison, Vice Pres. & Supt. of Agencies

California



Mountain States Life
Building

Climate enables the life insurance man to work continuously. Business is good and we have desirable territory for men of character and ability.

We also have territory in Colorado, Wyoming, Nebraska, Arizona, Nevada, and New Mexico.

Two new contracts, good sellers.
Write for details. : : : : :

MOUNTAIN STATES LIFE INSURANCE COMPANY

Hollywood, California

William L. Vernon, President

R. N. Stevenson, Vice-President

Address: J. M. Miller, Agency Secretary

Drawer V. Hollywood

DENVER

V. R. WATSON
414 Denham Bldg.

SAN FRANCISCO

ERNEST RIBERA
410 Hobart Bldg., 582 Market Street



The Minnesota Mutual Life Insurance Co.

SAINT PAUL

THREE Dividend Increases in **Three** Years—
1927, 1928, 1929.

NINE New Schedules in **SEVENTEEN** Years—
1909, 1911, 1913, 1914, 1922, 1923, 1927, 1928,
1929.

No reductions in Dividends during the Influenza and War Periods—A ratio of Net Surplus to Net Liabilities of over 9%.

AGENCY OPPORTUNITIES IN
TWENTY-EIGHT STATES

Write the Home Office—Saint Paul, Minn.

We announce appointment of
ANTHONY J. BARRETT
as General Agent for Washington, D. C.
Address 708 Tower Building



All that this Seal Implies

YOU Who Are Interested in Selling Life Insurance

or who may become interested in its sale, will want to know why The Gem City Life Insurance Company has nearly *14 times as much insurance in force* at the close of 1928 as it had ten years before.

The agency contract and the unusually wide range of underwriting provided by the company, that includes all standard and many special forms of participating and non-participating life, accident and health and group policies, with premiums payable monthly, quarterly, semi-annually or annually, are some of the substantial reasons for the outstanding progress the company is making.

There are other equally impressive reasons and if you will write to I. A. Morrissett, President, at Dayton, Ohio, he will be glad to give you complete details of that agency contract and the very many reasons why it will pay you to join the rapidly expanding agency staff.

The company wishes representatives in Ohio, Michigan, West Virginia, Tennessee, Alabama, Georgia, Louisiana, Florida and the District of Columbia.

The Gem City Life Insurance Company

OF DAYTON, OHIO

The Rapidly Growing Company

The Pacific Mutual issues all forms of Life and Accident insurance usually sold by the best companies, and in addition offers many other features that are attractive to salesmen.

Among them you will find:

The Non-Cancellable Income policy

The "5-way" Multiple Protection Policy

Permanent Total Disability of \$15.00 per thousand with 90-day Presumptive Clause

Excess interest dividends on instalment payments the first ten years on Retirement Income Bonds

Direct Mail Plan of selling which is so popular at present

School of instruction for agents

It offers the field man the best there is in modern selling methods and supplies him with a full line of attractive policy contracts, both Life and Accident.

General Agency contracts may be arranged in certain portions of the following states.

Illinois

Ohio

Indiana

Delaware

Pennsylvania

Nebraska

and several other prosperous states.

If you have had a successful life insurance career and are financially able to undertake the building of a general agency send full outline of your experience and references to

ARTHUR C. PARSONS

Vice-President and Superintendent of Agencies

SIXTY-ONE YEARS OLD

Assets over 145 million

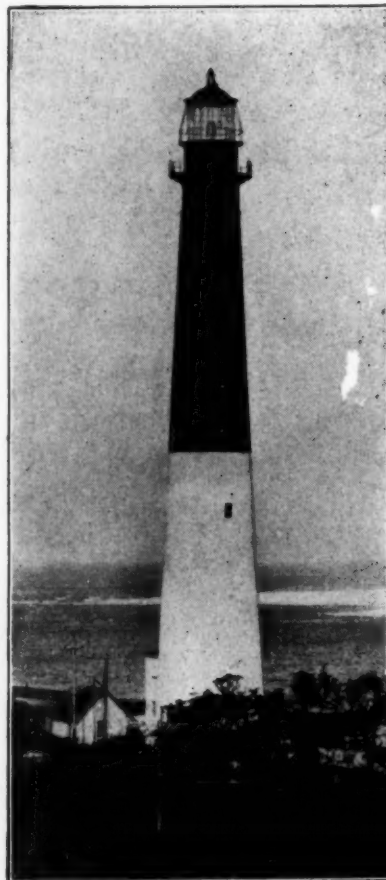
Life Insurance in force over 700 million

**The Pacific Mutual Life Insurance Company
of California**

Home Office: Los Angeles, California

1st Convention Daily

Dependable



The dependability of the Lighthouse is unquestioned. The mariner depends upon its warning light to guide safely his course.

Dependable as a Lighthouse is the Security Life Insurance Company of America.

Best's Life Reports for 1929 says:

"The Company has reputable and able backing."

"Policyholders surplus is more than sufficient for all contingencies."

"The Reserve basis is very strong."

"The mortality rate is very favorable."

"Expenses are moderate and reducing."

"Its investments are of excellent quality."

"The Company pays death claims promptly."

"The premium rates are low."

"Limited payment policies become participating after premium paying period."

"OUR GENERAL RATING OF THIS COMPANY IS EXCELLENT."

WE say—"We offer the best contract to Agents of any prominent Company."

WE say—"We have *the* Policies."

WE suggest you ask to see our Agents' contract and samples of our Policies.

SECURITY LIFE
INSURANCE COMPANY OF AMERICA
O. W. JOHNSON
President
CHICAGO

INS. LAB.
2nd Convention Daily

The National Underwriter

LIFE INSURANCE EDITION

THURSDAY, SEPTEMBER 26, 1929 SEP 28 1929

*Welcome
Life Underwriters!*

AN INVITATION

ACACIA heartily welcomes you to your nation's capital and cordially extends to you the hospitality of its magnificent new Temple of Service and the facilities of its Acacia Club.

Here you may see one of the country's finest home office buildings; view the grandeur of Washington's sky line from Acacia's delightful roof garden; enjoy the restful atmosphere of our luxuriously appointed club rooms; make your train reservations or arrange for sight-seeing tours or any other service Acacia can render you.

Just tell the young lady at the Information Desk that you are a Life Underwriter. We assure you of a hearty welcome and our best efforts for a pleasant visit.

W. Montgomery
President



Acacia's Temple of Service

IN a few years ACACIA has passed from the end of the procession to a position of leadership. It now ranks 35th in size among all the companies doing business in the United States and only 25 companies gained more insurance last year.

ACACIA'S leadership is all the more remarkable because it has been achieved in a limited field. Membership is confined to a select group of men and brokerage business, reinsurance, group or other wholesale business is not accepted.

The acid-test of a company's popularity with its policyholders is in NET GAIN.—In this respect, ACACIA is an outstanding leader.

ACACIA MUTUAL LIFE ASSOCIATION

WM. MONTGOMERY, President

HOME OFFICE — 101 INDIANA AVE.

FRIENDLY ASSOCIATES

WITHIN the organization of the Massachusetts Mutual there is a "tie that binds" the Home Office and the Field in a very close relationship. We are all friendly co-workers. Ask any man or woman who represents the Company if this is not so and you will be assured that this relationship is a striking characteristic of the institution.

Policy contracts of the finest quality; a satisfactorily low net cost; real service to policyholders and beneficiaries; steadily increasing and widening prestige; a consistently progressive attitude—these are some of the other attractions that this old New England Company offers to the life underwriter.

.....

Massachusetts Mutual Life Insurance Company

Springfield, Massachusetts Organized 1851

More than a Billion and Three-Quarters of Insurance in Force

MISSOURI STATE LIFE

The Progressive Company



THE Missouri State Life is rapidly nearing the "Billion and a Quarter" mark in amount of insurance in force. Through its progressive ideas and hearty cooperation with field representatives, it has risen to a position of rank and leadership which many other companies twice its age have not yet attained. Progressive agents like the progressive methods of the Missouri State Life. It is happy to be recognized as an Agent's Company.

HILLSMAN TAYLOR, PRESIDENT
St. Louis, Missouri



Admitted Assets Over
\$131,000,000.00

Insurance In Force Over
\$1,210,000,000.00

NATIONAL LIFE INSURANCE COMPANY

of The United States of America

ALBERT M. JOHNSON
Chairman of the Board

Established 1868

ROBERT D. LAY
President



Primarily A Field Man's Company Because:

It provides producers with

First—Complete sales training course—That Trains!

Second—Complete kit of up-to-the-minute policies—low guaranteed cost—combined Life, Accident and Health—Non-Medical—Sub-standard.

It provides Agency Managers

First—Practical Recruiting Plans—That Recruit!
Practical Supervising Plans that bring results.

Second—Definite, tangible Home Office cooperation in Building and Retaining profitable organization.

Personal producers and Agency Managers alike succeed with the National Life Insurance Co. of the U. S. A.

It is directed by men who through years of practical experience understand the field man's problems.

It has assets of \$60,000,000.

Insurance in force \$300,000,000.

If you wish to capitalize fully on your ability and energy applied to a successful life insurance career,

Address Walter E. Webb, Vice President

Home Office
29 South La Salle Street
Chicago, Illinois

A FINE OLD COMPANY FOR AMBITIOUS YOUNG MEN

Badges of Service



Midland Life
Insurance Company
Kansas City, Missouri

NATIONAL FIDELITY LIFE



From The Heart of America GREETINGS!

"Come Again!"—our parting words three years ago when the National Life Convention was held in Kansas City.

"Come Again!"—our standing invitation to the National Life Convention.

In sending our greetings and assurance of our hearty support of the National Association of Life Underwriters, we want to reiterate again our invitation to the National Life Convention to come again to Kansas City not years hence but soon.

We want it understood that the latch key is always out—that there is a standing invitation to the life insurance men of America to come as often as they desire and to stay as long as they like in Kansas City.

Business Men's Assurance Company of America

W.J. Grant ~ President

Kansas City Life Insurance Company

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The National Underwriter

LIFE INSURANCE EDITION

Insurance a Factor in Business Life

Three Points of Contact Noted

Business Insurance, Investments and Trust Company Service Discussed

BROADCAST ECKER TALK

Message from Hoover Also Put on Air—Three Technical, Two Sales Addresses Thursday

Convention Headquarters, Hotel Mayflower, Washington, Sept. 26.

Three different phases of the inter-relationship between life insurance and business in general were discussed at the Thursday morning session, including business insurance, investments, and trust company service. This more technical side of the business was discussed from varying angles by representatives of the field, the home office, and allied institutions.

A. Rushton Allen, manager at Philadelphia for the Union Central Life and an authority on the technique of business insurance, opened the presentation of business insurance ideas with an explanation of "Underwriting Business Purchase Agreements." Mr. Allen took up every phase of such a contract and suggested all possible means of handling it, recommending his idea of the most practical method in each case. From the first approach to the final detail of properly endorsing and depositing of stockholders, he went through the transaction and showed just how this type of business can be handled.

Ecker's Analysis of Investments Goes on Air

The life insurance message of the convention which went out over the air to the entire country was the talk of President Frederick H. Ecker of the Metropolitan Life. This keen analysis of present and future investment trends, coming from the greatest investment man of the country, was sent over the air from the convention hall by the National Broadcasting Company, as was the message from President Herbert Hoover which was read by President Paul F. Clark.

Mr. Ecker was introduced by Jonathan K. Voshell, manager of the Metropolitan Life at Baltimore, former president and now a trustee of the National association. His topic was "Investment Trends in the Era of the Second Hundred Billion." At the outset he declared his opposition to investment by life insurance companies in common stocks, a subject which has been strongly to the fore in recent months, and in fact gave that as being the central idea of his address. He said that the pres-

ent limitations imposed by law are all right and should not be modified.

He reviewed the investment trends of the past and pointed out that their lesson was that conservatism should be the keynote in life insurance investments. He said that the individual might take a chance, but the company could not. In reference to the investment problems arising in connection with the second hundred billion, he presented some very interesting figures as to the way in which reserves would begin to pile up from now on, in view of the tremendous volume of business in force, and the vast amounts of capital which the companies would have to invest from that angle alone.

McMahon Tells Part That Trust Company Will Play

The part which the trust company will play in the era of the second hundred billion was pictured in glowing terms by Edward M. McMahon, insurance trust officer of the Equitable Trust Company of New York and a former life underwriter. Mr. McMahon, preparatory to this talk, made a detailed analysis of the termination costs of estates in New York and compiled the results of an important inquiry among all life insurance and trust company officials of rank in the country. His findings, showing a close tie-up of the two branches of business in a great cooperative move of the future, were authentic reflections of national opinion.

Cummings and Yates Give Selling Suggestions

Two addresses on the selling side were on Thursday's program, one by Harold J. Cummings, superintendent of agents of the Minnesota Mutual Life,

THE WHITE HOUSE
Washington

September 23rd, 1929.

Mr. Paul F. Clark,
National Life Insurance Conference,
Washington, D. C.

Dear Mr. Clark:

I should be indebted to you if you would express my regrets that the press of public business has prevented my acceptance of your courteous invitation to be present on this occasion. No one interested in the progress of the American people could fail to be impressed with the significance of the achievement which is marked by the distribution of one hundred billions of life insurance among them.

There is no single device in our whole economic system which is greater in its importance in safeguarding the welfare of our women and children than is this. The great institutions which have been builded for this protection against disaster rank with the highest forms of our national achievements. You, the men and women who have helped to build and now carry forward this great structure, have performed a great service and one which the whole country acknowledges with pride.

Yours faithfully,

HERBERT HOOVER.



Whatley Slated for Presidency

Chicago Man Understood to Be Choice of Nominating Committee for High Post

SOME OTHERS MOVE UP

Vice-presidents Scheduled to Be Advanced on Official Roster
—Cremen for Secretary

Convention Headquarters, Mayflower Hotel, Washington, Sept. 26.

The new plan for the nomination of officers of the National Association of Life Underwriters, adopted at the Detroit meeting last year, was put into effect for the first time at the convention here this week, when the advisory nominating committee named some time ago and headed by Lloyd K. Allen, of Boston, turned over to the nominating committee named at this convention the suggestions made by various local associations and its recommendations for the places on the official roster of the association.

Whatley Recommended for Presidential Post

The regular nominating committee, composed of one member from each local association represented at the convention, held its meeting Wednesday evening, and it is understood that the only name presented for the presidency was that of S. T. Whatley, of Chicago, general agent of the Aetna Life in that city, who has been the ranking vice-president of the association the past year. Mr. Whatley's name was presented by the Chicago association, strongly seconded by the Illinois state association and other state and local associations throughout the central west. Mr. Whatley has devoted much time and effort to National association affairs in the last year and his advancement is regarded as a logical move.

Present Vice-presidents May Be Advanced

Three of the present vice-presidents are understood to be scheduled for advancement, C. C. Day, of Oklahoma City, becoming vice-president; George W. Ayars, of Los Angeles, first vice-president; and E. J. McCormack, of Memphis, second vice-president. Thomas M. Scott, of Philadelphia, is tentatively slated for third vice-president, H. O. Wilhelm, of Omaha, for fourth vice-president, and John F. Cremen of Washington, for secretary. Robert L. Jones, of New York, will undoubtedly be reelected secretary.

Mr. Day is general agent of the Pacific Mutual Life for Oklahoma and one of

on "Missions and Methods of the Average Producer in the Era of the Second Hundred Billion," and the other by John W. Yates, general agent in Detroit for Massachusetts Mutual Life, on "Selling Efficiency Tempered With Human Sympathy."

Mr. Cummings suggested several possible ways in which the average producer might increase his production and gave some interesting figures as to what an increase of only 10 per cent in the average agent's production would mean to the business as a whole. Mr. Yates declared that efficiency in selling could be attained only through the use of a real objective and that the big idea for the life underwriter to put over is that through life insurance alone is a man able to reach his life objectives and carry out his life plans to a full fruition. This brings in the human element and in his opinion it is a necessary factor in selling efficiency.

Women Underwriters in Evidence

Women life underwriters were in notable evidence at the convention this year, lending a colorful atmosphere to the crowded hall. Over 40 women gathered for a breakfast conference Thursday morning, at which President Paul Clark spoke, complimenting them on their increasingly important place in the era of the second hundred billion.

A special entrance to the convention hall was provided for the press, the convention officials, the speakers and other special guests, so that it was not necessary to take them around through the hotel kitchen, as was the case at one recent meeting, in order to reach the speakers' platform.

Builds Membership



GEORGE W. AYARS, Los Angeles
Second Vice-president National Association

the big figures in that company's agency organization. He is serving his first year on the official roster of the National association but has done yeoman service.

Mr. Ayars is with the Phoenix Mutual on the west coast. He first came into prominence in National association affairs when the national convention was held in his city five years ago, but has been one of the big figures in the organization ever since that time. He is credited by all of the association officials with being primarily responsible for the notable increase in membership made during the past year.

Mr. McCormack, Memphis general agent for the Minnesota Mutual Life, was general chairman in charge of the convention there two years ago and has been a big booster for the National association in the south. He is regarded as one of the "comers" in association work.

New Men on Roster All Prominent in Field

The new men suggested for posts are all prominent in the life insurance field and in association work. Mr. Scott has been for many years the leading producer of the Penn Mutual Life, his total production last year being \$2,175,480. He is now serving as president of the Philadelphia association.

Mr. Wilhelm is general agent of the Northwestern National Life in Omaha, and has been very active both in the life underwriters' association and the life managers' club of his city. He was on the program at the National association meeting in Memphis two years ago.

Mr. Cremen is general chairman of the Washington convention committee and has spared neither time nor efforts in making the convention here the biggest ever. He has been given unstinted praise by everyone in attendance at the meeting for the work he has done in that connection and his selection is regarded as a fitting recognition of that work. He is general agent in Washington for the Massachusetts Mutual Life.

Delegates to the convention were well provided with daily news reading, New York papers being distributed about the hotel with the compliments of the City Bank Farmers Trust Company of New York. That institution had among its representatives Fred A. McKenzie, now assistant trust officer, but last year executive secretary of the New York Association of Life Underwriters and an active figure on the convention floor.

Greetings to Life Men by Other Organizations

Greetings to the convention of the National Association of Life Underwriters were officially extended from a number of the important allied organizations, their representatives being present and introduced by President Paul Clark at the Wednesday afternoon session. The toasts to the life underwriters by these guests were as follows:

FROM THE ASSOCIATION OF LIFE INSURANCE PRESIDENTS

By CHARLES G. TAYLOR
Associate Manager

Friendliness between individuals is a necessary part of any healthy community life and likewise friendliness between organizations in any great business is a necessary part of the healthy development of that business. So it was with a very genuine feeling of the place that these great institutions or organizations occupy in this great business and with a deep sense of the value of that friendship which exists between your great organization and ours that I come here today to present to you the greetings of the Association of Life Insurance Presidents and to extend to you their good wishes for a most successful and harmonious convention.

You have enlisted so many members of the executive committee of our organization and there are so many present here that I feel almost like the fifth wheel on a car this morning as the organization is better represented by these distinguished gentlemen.

Mutuality of Interest Is Evidenced

During the past year and during many years past our contacts in the Association of Life Insurance Presidents with the officers of your association and with members of the organization throughout the states have been frequent and varied and it is a pleasure to come here today and say that in all of these contacts our results have been of the happiest character. We delight when we get a letter in our office from Major Hull or President Clark or from Mr. Ganse who seems to be one of the real forces in getting

data together on varied life insurance subjects. We are always glad when some occasion arises to bring us into closer contact with you and your organization. So our interest in your welfare is a very close personal and genuine one.

Great Goal Reached By Life Underwriters

It seems to me quite fitting that at this time when you are celebrating the attainment of one of the great mile posts in life insurance, the hundred billion mark, that you have assembled here in Washington to express, as you have every right to express your own pride in this achievement to which you have contributed so much, and also because it emphasizes the national character of life insurance. As I think of the contacts of life insurance companies and life insurance men throughout the length and breadth of the land, I feel that it is a great influence helping more closely to knit together the ties that do and should exist and that should be strengthened throughout the length and breadth of the land.

Life Insurance Is a Nationally Minded Business

I look upon it as a great nationally minded business, free from sectional influences and sectional prejudices. The man from California buys a policy from a New York company. Missouri buys a policy from a California company and New York may go up and buy from President Clark's good old New England company. We all buy irrespective of state lines and without any thought of the imaginary borders that separate us on so many other things.

Not only that, but our investments offices send the funds of these companies throughout the length and breadth of the land, helping to build more fertile farms, helping to supply the needed capital of industry, helping to build homes, and all with the same confidence in this great land of ours as a whole that they would express with reference to their own native heath and the soil on which they tread most of the time. I think that

we may properly say that life insurance companies were among the first of the great national organizations.

The Life Companies Constitute Super Power

We are hearing much today about super power and about great organizations that are tying up communities, making each community serve the other in a better way, and yet I think life insurance companies, it is safe to say, were the pioneers in this line. Our great companies have, for many years, been doing business throughout the length and breadth of the land. There is hardly a company but what goes beyond its own state line. Even those within the more restricted borders are looking forward to the time when they will spread out.

So we have here a great constructive influence for national mindedness, a thing that I think is emphasized daily as one of our needs for development. Being a southerner, of course, I have been impregnated with the idea of states' rights, but I am equally enthusiastic on the importance of national thinking. And so I believe this business is contributing a very potent force to the development of national mindedness in America.

Life Underwriters Are Prepared for Second Stage

Having such a high idea of the force of this business, I naturally appreciate the great responsibilities of the field and the home office, responsibilities such as have been emphasized here in your gathering so effectively already today. I will not attempt to go over any of that ground but in closing, may I express the hope and wish and the continued confident belief that as we start in this second heat of the hundred billion raise that your organization will continue to grow in vision and force and effectiveness in serving the American people as you have so ably done during the past years of your life. I have every confidence that with such leadership as you now possess and with the spirit that is ever emphasized in these gatherings of yours that you will more than fulfill the greatest hopes we may have for the future.

FROM THE AMERICAN LIFE CONVENTION

By CLARIS ADAMS
Secretary and General Counsel

It is a great pleasure to be official bearer of greetings from the American Life Convention. It is always a matter of inspiration to me to be a part of your gatherings. The co-organizations of this country share your pride in your achievements and they share your hope of the future.

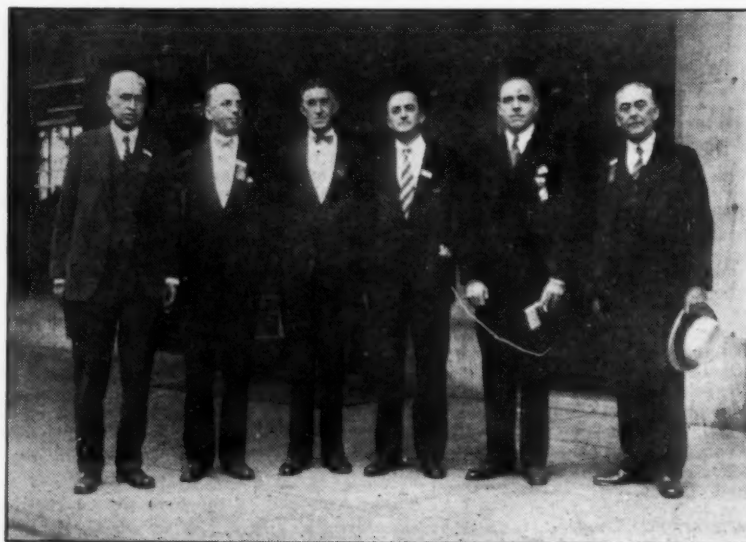
It seems to me particularly fitting that this organization should be the first to celebrate the achievement of one hundred billion dollars of life insurance in force in this country. After all, however much is contributed by the high command, however much is contributed by the scientific development of life insurance, the agent has insured America. This organization and its work gives us all a hope that while it took four generations to accomplish the first one hundred billion, that the next one hundred billion will be accomplished at least within the span of two generations.

Life Insurance Is a Human Institution

Life insurance, after all, is a human institution. On its technical side it has been virtually reduced to a science but on its commercial side, it is essentially an art. Try as you may, you cannot eliminate the human factor in the problem. Converting this human element

(Continued on page 24)

Among the Local Leaders



A group of the local leaders in charge of the convention details, reading from left to right as follows: 1. A. L. Balwin, Northwestern Mutual, hotel reservations committee; 2. H. L. Choate, Mutual Benefit, registration committee; 3. Russell Freeman, Prudential, treasurer; 4. John F. Cremen, Massachusetts Mutual, general chairman of the convention; 5. Harold Kraft, State Mutual, President District of Columbia Association; 6. Henry Bryarly, Home Life, chairman open sessions committee.

Would Not Change Investment Laws

Ecker Favors Conservatism

President of Metropolitan Life
Against Investments in
Common Stocks

PRESENT LAW ALL RIGHT

Trends of Past in Investment Matters
and Reasons for Policy
Followed Are Told

BY FREDERICK H. ECKER
President Metropolitan Life

"The Trend of Life Insurance Investments in the Era of the Second Hundred Billion"—the title of my address—was not one of my own choosing. I think it aptly describes a topic which is of extreme importance to the business of life insurance and one which merits the attention of this organization. However, as I have studied the import of this title, I have wondered at the use of the word "era." That word, to my mind, means a long period of time. We are told that the second hundred billion of life insurance will have been issued by our American companies within the next 10 or 11 years—a period not longer than the lapse of time since the signing of the armistice. Therefore, in about 10 years only, we confidently expect to add

Speaks for Canada



ERIC CHOWN
Field Secretary Canadian Life Underwriters Association

an amount of insurance equal to that now in force after a history of more than three-quarters of a century of life insurance.

No Present Change in Limitations Favored

The question then is as to the trend of life insurance investments in this exceedingly brief period. Should the character and the basic principles of life insurance investments be changed in so short a space of time? Should existing legislation be repealed, or modified, or made more elastic with respect to limitations on the investments which will have to be made before 1940? Speaking for myself, and with the background of an active contact with life insurance investments of over 40 years, I am not prepared to advocate any substantial change in the limitations which now prevail in the laws of some of our principal states.

Only the other day, a gentleman of considerable prominence and a man much interested in the success of our company, though not an official, asked me if it would not be a good thing for a certain sum of money be in hand, first, common stocks of the big corporations whose prosperity has been so outstanding in the past few years. The reply which I made to him, somewhat elaborated for present purposes, is the principal theme of the discussion which I am privileged to present to you today.

Your members are familiar with the purposes for which life insurance investments are held, but the layman may not know, and so it may not be amiss to say here, that such investments, almost to the extent of the entire assets of the companies, are held to meet the requirements arising out of the legal reserves which the companies must maintain. These reserves are calculated under requirements of law and with a degree of sufficiency which proves ample, on the basis of the expected death claims which must be paid from year to year, according to prevailing mortality tables, as well as maturing endowments, and on the basis of an expected compounding of interest from year to year. In other words, the entire policy obligations of the companies during any given year would require on such assumptions, that a certain sum of money be in hand, first, to pay the claims which shall currently arise during that year and, second, to build up a fund out of which future claims upon then existing policies can be paid. Funds which go to make up the assets of the companies, including their reserves, are derived from two principal sources, premiums received on old and new policies, and interest earned on investments which are made from time to time.

Must Accumulate Reserves for Second Hundred Billion

Returning now to the topic which has been assigned us, we are told, as has been stated, that the second hundred billion of insurance in force will probably have been acquired by the year 1939 or 1940. The companies now have, including reserves of about fourteen billions of dollars for the hundred billions of insurance now in force and including reserves for current liabilities and contingencies, assets of about seventeen billions of dollars. In addition to the present reserves, a reserve must be accumulated and held for the next hundred billions of dollars of insurance from time to time as such insurance is written during the next 10 or 11 years. The actuaries tell us that this additional insurance will probably require a reserve of about ten billions of dollars. It must not be over-

looked that the reserves on that part of the present hundred billion remaining in force must be increased while additional reserves must be set up on new policies written to replace the cancellations which may be expected in the existing hundred billion dollars by reason of deaths, maturities and lapsation.

Immense Additional Investments Involved

So it will be seen that the reserves on this one hundred billion dollars, together with replacements for cancellations, will have grown at the end of the period to probably twenty-five billions. From these figures, we are told that the total reserves which will probably be held by the companies when the goal of two hundred billions shall have been reached will be approximately thirty-five billions of dollars.

If each investment which we now hold should be continued until that time, we would nevertheless have to invest an additional twenty-one billions of dollars, but even this does not complete the picture because we must take account of maturing investments both in the existing reserves and in those which will be established during the next ten years, which additional investment will probably amount to not less than fifteen billions.

Various Factors Shorten Term of Investments

For instance, my company, with assets now approximating three billions, invests in each year about double the amount of the annual increase in assets. In our case the increase in real estate mortgages last year was \$106,868,397, while the actual amount so invested was \$222,308,067. The tendency to increase the term of real estate loans is offset by the growing practice of requiring semi-annual installments in amortization of principal. There are other factors which have tended to shorten the term of life insurance investments, such, first, as the universal employment by railroads of equipment trusts as a means of financing the purchase of equipment, the notes given for the debt being arranged to mature in semi-annual or annual installments over a period of from one to 15 years, or second, the almost universal practice, compulsory by law in many states, of issuing county and municipal obligations to mature serially in annual installments, or third, the tendency of public utility and railroad financing to take the form of bond issues running 30 to 40 years in the case of utilities, and rarely over fifty years in the case of railroads, as against the former practice of railroads to issue bonds for 100 or more years, as in the case of some of the best known issues, and finally, the fact that practically all issues of recent years carry the option of prior redemption.

Hence, when we are considering the trend of investments up to the time when two hundred billions of insurance will be in force, we are considering the appropriate method of investing during the brief period of 10 or 11 years the tremendous sum of something more than thirty-five billions of dollars.

If time permitted, it would be interesting and informing to trace the trend of the investments of life insurance companies from the early days up to the present time. We would find a slowly awakening consciousness of the character of investments appropriate to life insurance. We would find, in the earlier days, mortgages, government and municipal bonds, and corporate obligations—all having their vogue. We would find stocks viewed as an acceptable form

Investments Theme



FREDERICK H. ECKER
President Metropolitan Life

of investment, only to be forbidden because of the abuses which were disclosed in the Armstrong investigation. We might study the development of the laws of the different states governing such investments which, while not identical, contain principles in common. Obviously, the practice of the present must continue to obtain with respect to the course which will be followed by the companies in the states where these laws exist, unless they are to be modified, and we must conclude, therefore, that this discussion should be directed to the question of whether any change should be made.

Objects of Life Insurance Investments Outlined

Nothing has ever happened in the past nor can conceivably occur in the future, to change the simple fact that life insurance investments are held to ensure the faithful performance of the life insurance contracts. There must always be funds in hand to pay obligations as they mature, and to distribute in the form of equitably apportioned dividends to the policyholders such surpluses as may exist from time to time. We must have in hand, say ten years hence, assets consisting of securities of a sound character to the value, allowing for funds set aside for other liabilities than legal reserves and for surplus, of over forty billions of dollars.

In making investments, company officials must unquestionably have in mind,

Invitation For 1932 From San Francisco

N. J. Goldsmith, of San Francisco, rose on the convention floor Wednesday afternoon to present an invitation on behalf of the San Francisco Association of Life Underwriters for the National Association to meet there in 1932. The conventions may thus gradually work back westward, Toronto being scheduled for 1930, Minneapolis suggested for 1931, and San Francisco proposed for 1932.

in the order of their importance, first, safety, and second, investment on a basis to yield as high a return as possible commensurate with safety. The investment policy must always be impressed with that primary obligation which life insurance executives have come to recognize, the public interest.

The sacred character of the life insurance trust involves, in the highest degree, that great responsibility which is always imposed upon trustees, and so such investments should comprise only those which are adequately secured and at all times protected by the subordinate interest of others in the nature of a secondary lien or of proprietary ownership such as to provide a cushion against loss.

Distribution of Income from Investments

That income from the investments should be periodically distributed with substantial uniformity is a prerequisite. No income at all for a part of the time, or an income short of or barely sufficient to meet the interest assumed in constructing premium tables, will not answer. In this respect there is much similarity between a policyholder's interest and that of a savings bank depositor. It would not do to invest the depositor's money with little or no present income but with the prospect of an attractive profit some years hence which would be for the benefit of future, not present, depositors. And so, in life insurance, all policyholders should be treated equitably with respect to their interest in investments.

The nature of the life insurance business is such that money must immediately be put to work. It should not be invested without return any more than it should be held indefinitely awaiting a more favorable opportunity which is anticipated. This does not prevent the exercise of judgment in selecting short or long term investments according to conditions obtaining at the time of the investment, but the dollar must always be kept productive, and the interest of existing policyholders must not be sacrificed or even postponed for the possible benefit of those who may be the policyholders at a subsequent date.

Some Forms Are Not Suitable for Life Estate

Take, for illustration, the unsuitability of such form of investment for a life estate. Suppose a testator leaves his property in trust, the income to be paid to his wife during her life, and upon her death the principal of the estate to be distributed to charities or distant relatives. It would be most inequitable to deprive the life estate of income in order to secure a gain in principal for the benefit of the remainder-man even assuming such gain would certainly eventuate. And so, in the case of the life insurance policyholder, it is not equitable, it is not sound insurance practice, to sacrifice the current income from the funds paid in by today's policyholders for the sake of possible, but uncertain, accretions to principal which would enure for the benefit of tomorrow's policyholders, when many of today's policyholders shall have died or ceased to have an interest in the company's investments.

Necessity for Assured Income from Investments

Further, it is essential that investments of life insurance companies have fixed maturities. Normally the income of a going and growing company exceeds its current payments, but, in case of an emergency, such as a pandemic, with which we have had a serious experience, or in case of any untoward circumstance necessitating having funds in excess of income over normal disbursements, the company must not be subject to the hazard of an unfavorable market in time

Washington Convention Leaders



E. S. BRASHEARS, Washington
Third Vice-president National
Association



JOHN F. CREMON, Washington
Chairman General Committee
for Convention

of need. Such situation is much less likely to arise where investments have been suitably chosen in a well-balanced list of fixed maturities. It would be as inappropriate for a life insurance company, as for a commercial bank, to have its resources in frozen securities without maturity dates.

Play Important Part in Economic Welfare

Investments of the life insurance companies have come to play an important part in the economic welfare of the country. Always responsive to public need, outstanding was the support of the government in the purchase of liberty bonds and incidentally in the use of the agency forces in selling to the public the war savings stamps. Following the war, the companies gave much aid in the public interest, through mortgage loans on construction, to provide shelter accommodation for both residence and business purposes. In a multitude of ways, not necessary to catalogue at this time, company resources have supported the enterprises on which the nation's prosperity rests. They constitute a reservoir from which funds may be available not only in aid of the federal government, the states and political subdivisions thereof, but for all sorts of public services, both for private corporations and for the undertakings of individuals. Business is supported on a credit structure. It is of vital importance in the public interest that these accumulations of the life insurance companies, assuming larger and larger proportions, should continue to be made use of in safe, sane and constructive ways in sustaining that structure.

Individual and Company Investments Compared

We are passing through a cycle of great expansion in volume of production, consumption and earnings, brought about by world conditions which it would be out of place to attempt to analyze here, and the public appetite for alluring profits to be derived from advancing prices in corporate shares has very naturally been whetted. Business is brisk, and the profits are very properly going to those who take the risk. Just here lies the difference between investments by an individual or a corporation formed for such purposes and those to be made by a life insurance company. Common stocks are inherently speculative. Profits are large if the enterprise is eminently

successful, but, in the event of failure losses may be correspondingly large, or even larger, since the entire value may be wiped out. Of a given number of enterprises started each year, a certain number fail. We are today riding on a high wave of prosperity. We want to foster it and to have it roll on, but we do not entirely forget that there will always be an ebb and flow of the business tides. The curve of advancing prices has, in the past, invariably been offset by cycles of declines of equal degree.

Stock Market Winners Are Exceptional Cases

I do not intend to disregard the steady advance which has taken place over a long period of years, nor the spectacular increase of the more recent years in the wealth of the American institutions. Nor is it intended to question the wisdom of those who would have a slice of American prosperity. Here and there an individual has made a fortune by purchasing a winner. Those are exceptional cases, probably not altogether uncommon. It would be easy to select from the list of stocks actively dealt in, many which, if bought a few years back, could now be sold at a handsome profit, as for instance, I have in mind an actual transaction—an investment made just 13 years ago of \$10,360, increased by the exercise of rights to \$13,295, in the purchase of the common stock of one of the Standard Oil companies which now has a market value of around \$40,000. The increase in market value was not gradual and uniform from year to year. There were actually times in the period when the original purchase price could barely have been realized. The income of less than 4 per cent on cost during most of the time has been the same as in the beginning. Only recently has it been slightly increased. This particular transaction was in the common stock of one of the very best of the oil companies. During the same period many other corporations, similarly engaged, have not succeeded. It may be said that oil is a precarious business, that in the producing game, drill tests find four dry holes to one which is productive, yet it should be observed that dry holes or barren results are not confined to the oil business, and it should also be noticed in this instance that the profit could be realized only through selling the stock.

Here and there individuals, having the means to diversify their holdings, have made a fortune. They have been able

to work on averages. We in the insurance business better than many understand the law of averages. Buying equities, in the parlance of the day, is the method of participating in the growth and prosperity of the country. No one, certainly not the speaker, would fail to recognize the wisdom of such an investment policy—adhering to the fundamental industries of the nation—for an individual or for a corporation, investment trust, call it what you will, organized for the purpose. In the last analysis, it is dealing in commodities or services, the business of buying and selling for profit, but this is wholly foreign to the business for which a life insurance company is organized.

In volume, the asset holdings of life insurance companies are mostly those of mutual companies whose assets are entirely held for the policyholders. Of the relatively small part held by stock companies, the entire reserves certainly, and a part of the surplus equitably, are held for policyholders. These funds are entrusted to the management for a very definite purpose under the provisions of a definite contract, and even the best of intentions on the part of management furnish no excuse for using the funds paid in by policyholders in an effort to make money through engaging directly or indirectly, in other forms of business which in the last analysis, is precisely what results when common stock equities are purchased out of life insurance funds.

Should Be No Possibility of Risk or Disappointment

In periods of advancing prices or of inflation, the individual may wisely seek investments of a character calculated to offset decline in the purchasing power of money, but insurance policies are not bought with that in view at any time. There should be no possibility of risk of disappointment in the policy contract or of the realization of the purpose for which it was taken. That this subject is now attracting considerable attention is evidenced by the able address delivered by Albert Conway, superintendent of insurance of New York, before the meeting of the National Convention of Insurance Commissioners at Toronto, Sept. 19.

Even the laws defining the classes of bond investment permissible for life insurance companies have been susceptible of abuse in the case of a few companies unscrupulously managed. How much more difficult it would be to make definitions permitting investment in the soundest of common stocks which would not open the door to ill advised speculation in unsound stocks.

Fidelity and Good Judgment Best Assurance of Protection

Fidelity and good judgment on the part of those charged with the responsibility of making life insurance investments must always be the best assurance of protection of the policyholder, though regulation and supervision, of course, serves a useful purpose.

It is our business to strive to reduce the cost of insurance. Improvement in mortality is important. Progress in efficiency of operation in the pure mechanics of the business is constantly going on, and to seek improvement in interest earnings in our legitimate field of investment is an obligation of management.

No Misgiving Over Finding Suitable Investments

There is nothing in the present outlook to give rise to any misgiving over our being able to continue to find investments in such a field, notwithstanding our tremendously growing requirements, and at satisfactory rates of return. Life insurance funds are predicated upon a certainty of payment in an eventuality

(Continued on page 21)

Trust Services Fully Analyzed

Edward M. McMahon of Equitable Trust Company on Thursday Program

BASED ON INVESTIGATION

Conclusions Drawn from New York Study and National Query of Chief Executives

By EDWARD M. McMAHON

Life Insurance Trust Officer, Equitable Trust Company of New York

Edward M. McMahon is one of the keenest authorities in the country on the life insurance trust, but, being a former life underwriter of New York city, he views the problem from both the insurance and the banking angles. He is well known to association followers, as he spoke two years ago at the Memphis convention. His summary of the future of the trust plan is of keen interest to all life underwriters.

The time for generalities, theory, resolutions and banquets is past; the hour for definite, tangible, genuine and constructive cooperation has struck. On the theory that we may have among us still some representatives of the institutions of trust and insurance service who are not fully sold upon the necessity for such a program, permit me to say at the outset that my message to you today is based upon two sources of information other than the two years of intensive work which I have been doing in the insurance trust field, and that my conclusions and recommendations are primarily based upon the results of these two investigations.

Great shrinkage in Estate Is Shown

During June, July and August of 1929 a survey of estates settled in New York County from January, 1926, to August, 1929, valued at from \$300,000 to over \$10,000,000 was made by our company and under my direction. This study revealed that the average shrinkage in gross assets as recorded in final accounting and transfer tax proceedings was over 25 per cent; that the shrinkage amounted to 20.21 per cent of the average net estate. The assets were as follows:

Mortgages, notes, etc.	11.47%
Real estate	7.6 %
Stocks	49.1 %
Bonds	27.1 %
Cash	4.73%

The items of shrinkage consisted of administration expenses, federal estate tax, New York transfer tax, New York estate tax and other taxes and debts.

Inadequate Plan for the Average Estate

It is clear that an adequate plan for the protection and administration of the average estate was not made in advance in most of these cases. In many instances an investigation was conducted into liquidation losses sustained by the estate and it was evident that these additional losses over and above normal shrinkage were incurred because the executor was forced to sell some of the best securities which, had they been retained by the executors and delivered to the beneficiaries, would have shown substantial enhancement in value today. In the case of one estate, the deceased died in May, 1925, and left approximately \$1,700,000 under a will appointing his wife executrix. Among other

Ex-Presidents in Attendance



JOHN DOLPH, Washington
Former National President



JOHN L. SHUFF, Cincinnati
Former National President

assets the estate included approximately \$600,000 invested in good common stocks and approximately \$400,000 in bonds, the balance largely in real estate, mortgages, etc. The expense incidental to the settlement of this estate prior to distribution among the beneficiaries amounted to \$207,711.15. That covered the customary charges.

Large Cash Loss from Insurance Lack

To meet these charges there was available \$48,412.31 in cash and \$3,760.14 as proceeds of a policy of life insurance, making a total of \$52,172.45. It was necessary, therefore, to raise additional funds to meet the balance due, amounting to \$155,538.70. This was done in part by the sale of securities for \$116,433.78. This left a balance due of \$39,104.92 which was presumably taken from income on principal which accrued during the period from the date of death to the date of accounting. Paragraph N of his last will and testament contained these instructions: "Feeling convinced that the investments held by me are desirable for the payment of my estate, I hereby authorize and empower my said executor and trustees to retain and hold as investments any and all property owned and held by me at the time of my death, etc., it being my purpose to vest my said trustees with full and absolute discretion with respect to holding or selling all said property—".

It is interesting, therefore, to see how these particular securities have fared which had been sold under the stress of an emergency unprovided for in his estate plan. The answer is that comparing the market price as of March 1, 1929 with the price received at the time of the forced sale, the cost to this estate over and above the \$207,711.12 (the ordinary cost incident to the settlement of the estate) amounted to \$227,203.12. This additional cost to the beneficiaries might have been avoided if, as a result of effective cooperation between the underwriters and the trust officer, life insurance adequate to take care of the normal shrinkage had been available. This additional loss of profit on principal caused by the forced sale of securities would thus have been eliminated. Also, the best investments would have been saved as the foundation for producing income and appreciation in principal for the beneficiaries in the future.

You say that I have cited an extreme case. You are right. I have used this extreme case advisedly that I might make my point, but when we publish the

complete report of the analyses of estates of from \$300,000 up, which we shall do in the near future, every insurance and trust representative and every man of substantial accumulation who reads this report will be thoroughly convinced that the insurance trust should have played a more important part during the first era and must play a much more important part during the era of the second hundred billion. This I say because all who read that report will find among other things that an insignificant amount of life insurance was carried by the owners of those estate which passed through the New York county surrogate during that period, that corporate fiduciaries were appointed only in a comparatively small percentage of cases, that the cost of service of a corporate executor and trustee was less than the cost of the services of the individual executor and trustee, and finally that the percentage of depreciation could have been substantially reduced in a vast majority of the cases had the insurance trust been utilized by these decedents.

Applicable to All Sections of Country

This study was completed shortly before I received my assignment to appear before you today. The question that confronted me was this: Can it be possible that this situation is peculiar to the county of New York? What about the situation in Chicago and Cook county, in Philadelphia, San Francisco, and the town of average? To survey all of these situations was both impossible and impracticable. It seemed logical to me to assume that such a study would show that the leakage and shrinkage and dissipation of estates should be no greater in the financial center of this country than in communities less accustomed to thinking in terms of dollars.

Survey Made of All Chief Executives

So I concluded that in order to be in a position to come to you today with something definite and tangible that I would make another study and from a different point of view, so I decided to invite to this platform the presidents of all of the insurance companies doing business in New York State and an equal number of the presidents of banks and trust companies from all sections of the country. Although I extended my invitation to these distinguished gentlemen as late as Sept. 17, most of them agreed to help me out. You may not know it,

but many of them are here, either in person or by proxy, and you will hear from some of them shortly.

Basic Questions Asked of Officials

In my letter asking these gentlemen to help me, among other things, I said: "An expression of opinion with regard to the following will be helpful: (1) The extent to which trust companies may with propriety in their advertising and publicity directly advocate the purchase of life insurance; (2) the extent to which trust companies cooperation may actually result in the sale of additional life insurance; (3) the extent to which life underwriters may with propriety influence clients to perfect a plan for the complete organization of the client's estate affairs; (4) the degree to which the funded trust should have the effect of reducing the lapse ratio of life insurance, and (5) the extent to which the business insurance trust (as applied to the liquidation of partnership interests and the sale of stock of a close corporation) may be helpful in the sale of additional life insurance and of a quality which should be more persistent than business insurance for the sole purpose of indemnifying the business against the loss of the services of a key man.

"We would also like an expression of opinion as to at least a few of the outstanding weaknesses or defects in the present methods used in the cooperative movement between life insurance companies and trust companies. It will be appreciated if you can dictate some reply as soon as possible, since I have such a short time for preparation. If you desire that your opinions be not quoted in my address, of course I shall comply with your wishes."

Answers Made Into a Composite Statement

My theory was that from no source could better judgment be secured with reference to the part which the insurance trust should play during the era of the second hundred billion than to consult these executives who are in such a position of authority as to be thoroughly familiar with this question. The limited time at my disposal will permit of but a brief analysis and summary of the large number of answers received which, in most instances, covered several pages. At a future date I hope to make available to those interested, in more comprehensive form, a complete digest of the highly interesting and constructive contribution which these gentlemen were good enough to make to this complicated and far-reaching problem.

During the remainder of my time I shall endeavor to lay down a few structural principles which are based upon the consensus of opinion of the insurance and trust company executives of small and large life and trust companies operating in small and large centers of population scattered generally and located in the various sections of this country with reference to the part which the insurance trust must and should play if both as public service institutions are to make good their obligation during the second era.

General Principles Are Summed Up

Let us proceed with the general principles:

1. The progress of the second hundred billion is dependent to a considerable extent upon situations growing out of problems which the second billion will inherit from the first.

2. Representatives of insurance must shift their point of view in approaching the public which they would serve. They must realize that after all insurance is not an end in itself, but only a means to an end.

3. Insurance has devoted an unnecessary part of its educational efforts to telling what insurance is and not sufficient attention has been given to telling (Continued on page 21)

Tells Business Purchase Plan

A. Rushton Allen of Philadelphia Gives Comprehensive Analysis

RIGHT TECHNIQUE GIVEN

Manner of Handling Business Cases Clearly Told Thursday Morning by Union Central Man

By A. RUSHTON ALLEN

Philadelphia Manager, Union Central Life

Let us think first of the two main purposes of business insurance. They are mutually exclusive. The first is to indemnify the business for the loss of a valuable man. The other purpose is to provide for the purchase of the interest of a deceased member, either of a partnership or a corporation. With the first we have nothing to do in the present discussion. With the second, we want to develop just how to go about arranging for the purchase of the interest and how the purchase price gets into the estate of the deceased.

How to Go About It Is Stumbling Block

Try to imagine a situation where an agent is interviewing a partnership or a corporation for the purposes of business insurance, and the one whom he is interviewing says, "Yes, we have been all over that subject and we think it is a very good idea, but now just how will we go about it." From agents that I have talked to, I believe that the average insurance man is stumped right at this point, and it is for the purpose of developing the interview to a conclusion that I want to try to present just exactly how a man would go about working up such an agreement.

And we are only interested in business insurance insofar as such a purchase is concerned, and whether such a purchase is advisable or not has nothing to do with life insurance. It is a matter of estate analysis.

Question of Caring For Death Interests

Before we start on our problem, let us make another analysis. The situation of such a man as this agent which we mentioned is interviewing is somewhat as follows: he has some general property, he has some life insurance, and he has his business interests. The reason we separate the life insurance from the general property is familiar to everyone. Life insurance must be disposed of in such a way that it will not be included in the estate nor be disposed of under a will, but paid directly by the insurance company to the beneficiary. The general property will be disposed of under a will. The business interest, however, is the problem we have before us. How shall we convert the frozen asset of an estate known as a business interest into an income producing liquid asset. The problem is not primarily whether life insurance is to be bought, but whether it is advisable to arrange for the purchase of the interest of the deceased member of the business.

The reason I call a business interest in the hands of an estate a frozen asset is, in the case of a partnership, because the estate has nothing but a right of action against the surviving partners to compel them to liquidate and pay out the interest and without some arrange-

Big Business Experts Speak



A. RUSHTON ALLEN, Philadelphia Union Central Life



EDWARD M. McMAHON, New York Insurance Trust Officer, Equitable Trust Co.

ment being made in advance for the liquidation of this interest, the estate is going to be in difficulty. In the case of a close corporation, the estate will own the stock held by the deceased. That stock will not pay a dividend in all probability and there is no way by law to compel the payment of a dividend. That is a matter within the entire discretion of the board of directors. The surviving members of the corporation are not going to pay dividends on stock, the owner of which stock is contributing nothing to the success of the business. They will expend their earnings in expansion of the business, in advertising, in raising their own salaries, and what not, but in no case will they pay dividends on the stock owned by the estate of the deceased.

Many Cases Prove Need for Program

I make this statement because of the numerous cases which have come before me exhibiting just such a situation. I drew a will for a young woman not long ago, and among the assets listed by her was \$135,000 worth of stock in a successful lumber company. This stock she had inherited from her father. The balance of the stock was owned by her father's brother, her uncle. The business had been successful during the past eight years, the period of her ownership, but during that period she had never received a dividend. Her uncle was constantly expanding the business, raising his own salary, leaving no surplus whatever for the payment of dividends on her stock. There is only one thing for the owner of such stock to do, and that is to make an agreement with the other stockholders, providing for the purchase of the stock by the survivors for a pre-determined value.

Contract of Sale Is Basis to Plan

Assuming that such a sale by the estate, and purchase by the survivors is advisable, we have these considerations to analyze. First, who sells and who buys, and how. The "how of it" is by means of contract of sale. A contract of sale entered into between members of a corporation, or between partners, is a contract, executory in nature, to be completed at the death of one, that is binding upon the survivors, and upon the estate of the deceased. The basis of the entire situation is this contract of sale. The contract should be entered into by

the individuals comprising the business, never by the business entity itself.

Applies to All Classes of Businesses

In the case of a partnership, the contract will be between the partners. In the case of a close corporation, the contract will be between the stockholders. In the case of the so called sole proprietorship, the contract will be between the owner of the business and the other employees of the business with whom he is willing to make such a contract and who are willing to purchase. The reason that the contract is not entered into with the business entity itself, is because the contract will have to take second place to creditors in the case of a partnership. In the case of a close corporation, it would have to take second place to creditors, as well as to the rule in the particular state in which the contract is made regarding the purchase by the corporation of its own stock. This particular point we will have to discuss later on.

Varying Plans of Measuring Values

Having agreed to make such a contract of sale, the next point to be determined is how the price is to be arrived at. There are a great many methods of arriving at the value of an interest. The big point to be remembered is to pre-determine the method of arriving at the value and in no case to attempt to set the value itself in advance. Some of the methods in use are inventory value as of date of last accounting, par value of stock, market value of stock, a value which will include good-will, such as is used by the Surrogate Court of New York. This method has been very ably illustrated and described by Mr. Nathaniel Seefurth in his excellent work on business purchase agreements.

Arbitration Method Is Suggested

The method that I like best, however, is what I call the arbitration method. At the time the value is to be arrived at, the estate of the deceased appoints an appraiser, the surviving members of the business appoint an appraiser, and the two appraisers so appointed appoint a third appraiser, and the value arrived at by these appraisers is final and conclusive and binding upon all parties. A value which is to be determined at the end of each year is not satisfactory, because

when the matter comes up for discussion at each yearly period, the entire agreement comes up for discussion and gives an excellent opportunity for bitterness and for the cancellation of the entire agreement. The method of valuation to be used after suggesting the various methods to the prospect is the method which seems best fitted to the particular case. You are not, in developing this interview, telling your prospect what to do, so much as you are telling him what can be done, and in his judgment must rest the decision as to what should be done.

Guarantee of Money Is Essential

The next point to consider in the development of such an agreement is some sort of a guarantee to the estate of the deceased that the money will be available to make the purchase. Some of the methods for providing the money are as follows: first, the survivors may borrow from the bank, but the bank may not be willing to loan where an important member of the business is deceased and affords no guarantee to the estate. They might take the money out of the business. If they do, the chances are, it will wreck the business. The survivors may put it up out of their own pockets, but again there is no assurance to the estate of the deceased that the money will be available from this source. The estate has a right to sue, but the whole purpose of this agreement is to keep the matter out of court and to have a liquid arrangement which will be sure fire. They might ask a surety company to cover such an agreement, but I doubt whether there is any surety company in the business that would care to assume such a risk. There is only one sure method that will guarantee to the estate of a deceased member of the business that the cash is going to be on hand to make the purchase that the agreement calls for, and that is by the self-completing sinking fund plan, or in other words, life insurance.

Beneficiary to Be Named Is Important

Assuming then that life insurance is the best means whereby the cash is to be furnished for the making of this purchase, who shall be the beneficiary of such life insurance. If the partnership is to be the beneficiary, the money will be in the hands of the partnership and the estate of the deceased will have its proportionate interest in the money as general assets of the partnership, defeating the very purpose for which the insurance is carried. Furthermore, the money in the hands of the partnership is subject, of course, to creditors first before it can be used for purposes of the agreement. In the case of a close corporation, if the insurance is payable to the corporation, we again come back to the point made earlier in this talk that the money coming into the general assets of the corporation increases the value of the very stock which it is supposed to purchase, defeating its own end. Second, it becomes subject to creditors before it can be made available for the purchase of the stock of the deceased. Third, the question whether in a given case the corporation would be able to buy its own stock.

Must Watch Details of Ownership and Sale

In order for a corporation to buy its own stock, even in those states where such a purchase is permitted, the assets of the corporation must be such that there is a sufficient surplus on hand to make the purchase without depleting in any way the capital stock itself. There is no guarantee, in the case of an agreement that has some years in the future to run, that the condition of the corporation will be such at the time the purchase is to be made that it would be

(Continued on page 16)

"High Mission" of Agent Told

Cummings Reviews Average Producer's Field in Era of Second Hundred Billion

ECONOMIC EMANCIPATOR

Can Release Man in Ordinary Circumstances from Four Impending Threats to Future Happiness

Harold J. Cummings has been in life insurance work since 1916, starting with the Equitable Life of Iowa. Following his army service in the World War, he went to the home office of the Equitable to become manager of the sales service department. He was made assistant agency manager of the Minnesota Mutual in April, 1921, and was elected superintendent of agencies in January, 1929. He served on the staff of the Rockwell School of Life Insurance Salesmanship when it was part of the University of Pittsburgh.

The mission and the privilege of the average underwriter in the era of the second hundred billion, said Harold J. Cummings, superintendent of agencies, Minnesota Mutual Life, is to become the economic emancipator of the race.

Mr. Cummings said there are not more than 150 \$1,000,000 producers in the country, while there are probably 200,000 life insurance salesmen active—150 out of 200,000.

"But if one search seriously for the cause," he said, "it is not difficult to conclude that in our business less than one in 1,500 reaches the heights, because as a group we are not truly conscious of any high mission; and again as a group we follow no methods. No artist, no poet, no scientist, no man, ever added his name to the scroll of fame, unless to buoy him through the necessary years of toil there was present always the driving force of a high mission. Even then, no one ever hit the mark if he adopted poor methods, wrong methods, no methods.

"If it were possible to fire all at once the bosoms of those 200,000 life insurance salesmen with a burning zeal for a single mission, and to induce them all to put real method into their efforts to accomplish that mission, then the second hundred billion would be already written. And so the future of each of us individually will be infallibly measured by the loftiness of our mission and the fervor of our souls in adopting the right methods in its pursuit.

"Now the mission of the average underwriter in the era of the second hundred billion is his mission for the next few years. We are told that it took old line life insurance 79 years to reach its first fifty billions. The second fifty came in 6½ years. Last year new life insurance of all classes was little less than twenty billions. So while the first hundred billion came in about 85 years, the second hundred billion will arrive within 10 years, perhaps 5.

"I prefer to look not just that far, but further. When the second hundred billion is written, we will have begun only on our real mission."

Progress of Man in Average Situation Told

To explain what he meant by the life underwriter becoming the economic emancipator of the race, Mr. Cummings told of the program of a young friend of his, 30 years of age, married, and father of two children; a situation not out of the ordinary.

"Like most of us, my friend has a job. In it, he is spending his energies the

National Association Trustees



H. P. JEFFERS, Columbus, Ohio
Trustee National Association



WILLIAM M. FUREY, Pittsburgh
Trustee National Association

year around for just two reasons. First, he has to make a current living for his little family—four hearts yearning for as many of life's comforts and refinements as possible. Second, for a future fraught with many uncertainties, he has to accumulate a surplus.

Now spending for the present and accumulation for the future are objectives which clash. They are opposites. The more one spends for the first, the less one has left for the second. How much to spend? How much to save? These questions perplex men constantly. For ages these same questions have lashed the heads of other families into a veritable economic slavery.

Future Uncertainties Are of Four Kinds

"But no such worries enslave my young friend. For him these opposites have been reconciled. His sweetest dreams for the future have been blue-printed, contracted for and guaranteed under a construction bond. His tomorrows contain no element of uncertainty. He is economically unfettered, emancipated. Let us see why.

"The uncertainties of the future are of four kinds—four ever-impending threats to continued happiness. There is first the possible sudden need of ready money. Perhaps for some sudden emergency. Or one may need cash to grasp one's big opportunity. It is folly not to provide it always. The almost daily wreckage of businesses, big and small, and of individuals, rich and poor, bears out that conviction.

Has Constantly Growing Fund for Emergencies

"The need of a liquid surplus is something my friend doesn't bother his head about. He has a constantly growing fund of ready cash for emergencies or for opportunities. That the cash will be instantly available is assured by an institution that has functioned faithfully for a century and a half. Its accumulation is automatic, half compulsory. There is no worry about it now, and there will be no blasted hopes in the future. The amount is guaranteed. The interest rate is guaranteed. Although he should get into personal difficulties, personal bankruptcy even, these amounts will surely be his for rebuilding. There is no other place for his accumulations comparable to it for endless reasons.

"He knows just how much is available this year; what it will be in 1930, '31, '32,

'40, '50, '56. He knows how much at age 31, 35, 40, 50, 60. The exact figures are ready for reference at all years and at all ages.

Loss of Ability to Earn Is Great Menace

"The second great emergency which makes an accumulation of surplus vitally necessary is the possible loss of the ability to earn at all. This is a definite possibility. In our company, for several years past, one claim for total permanent loss of earning capacity has come in with each four death claims.

"Economic death, this condition has been called, and if you have seen your own father literally worry himself into an early grave because of the mental anguish that accompanies ill health—a sense of utter helplessness at the sight of a burden he would gladly but can no longer bear—then you know it is almost suicide not to provide against this emergency; almost criminal to let a client go unprotected in this respect.

"Now if one chooses other means of accumulating his surplus, he knows that under this emergency his accumulations instantly cease. He would doubtless have to use up what he had put away before the storm broke. His life plans would be dashed to bits. The future for his family would be most dismal.

Enjoys Sense of Real Security, Mental Freedom

"But my young friend is economically emancipated. His accumulations will go on during complete loss of earning capacity, just the same as if health and income were still his priceless possessions. His lost income will be substantially and permanently replaced. If he recovers, his plans for a happy life will be just as far along as if nothing had ever happened. Should he never recover his life plans will be completed and carried out for him surely, certainly, as we shall see. And his chance of recovery is the greater just because of the mental quiet that his mental freedom induces. No slavery for my friend here. He enjoys a sense of real security.

Third Emergency Is That of Old Age

"The third emergency—a certain one unless a worse befall—brings gray locks and uncertain steps. If the waning strength of age be offset by financial independence, well and good. If it be

accompanied by financial dependence, the load is crushing. The sacrifices that one doesn't make to meet this emergency as he goes along will surely be heaped mercilessly on his stooping shoulders all at once at a time when they are too much to bear.

"But so often one thinks provision has been made, only to find heart-breaking disappointment when it is too late. I do not need to mention John Ogden Armour, David Buick, and so on forever. The newspapers repeat the story daily. Only the names vary. From every station in life one can cull the names of those who lost all and whose declining years were a misery. The cause is always 'something else,' but the result is the same.

Will Have Strength of Youth in His Pocket

"Economically, my friend will never grow old. The physical energy he is spending now is being regularly counter-balanced by a growing surplus. Its earning capacity will offset the lost earning capacity of his mind and body at retirement. The old man will have the strength of his youth in his pocket. His retirement income at age 65 is assured by a century and a half of experience unparalleled in the field of business. It is certain, absolutely certain. His income can when the time comes be made safe against the failure of his own fading judgment. He looks into the future with a steady eye and his present efficiency is greater because of his serene outlook. The old man that my young friend will become will be a financially emancipated old man.

Robs Final Emergency of Its Only Real Threat

"Finally, the fourth great emergency, one that makes horrible wreckage of many a man's castles in the air, brings a shroud and a lasting sleep. With a fiendish laugh it shatters his family's fondest dreams. But what may wreck the best laid plans of others will simply complete those of my young friend. Economically he cannot die. He may literally be laid away with the lid firmly down, but when his little family returns home from the churchyard they will find him yet there, to remain through the lifetime of his wife and children, seeing his fondest plans through.

"Any cash that may be needed he will provide. His wife's allowance will be put in the bank monthly as usual. His children will have the needed funds for their education. All of this is secure against loss, voluntary or involuntary, so far as his dear ones are concerned. It is this assurance that robs the fourth possibility of its only real threat.

Four Fetters Have Fallen from His Struggling Hands

"And so my friend enjoys his emancipation. Need of ready money, loss of earning capacity, an aged body, or the empty chair—these four fetters have fallen from his struggling hands. He knows how much to save. He knows how much he may conscientiously spend. He knows how much is enough. He can thoroughly enjoy today with no tinge of regret or misgiving about the morrow. His mental freedom has unlocked his real capacities. His look to the future is direct, confident, spirited, unafraid.

"He did not buy life insurance. He is not just accumulating money. He bought the Right to Live. Some average life underwriter brought him economic emancipation.

Some Average Underwriter First Sold "Big Idea"

"And just how was all this arranged? Plainly time does not permit of our going into that. Suffice it to say that

some average underwriter first sold my friend the 'big idea'—the possibility of being economically emancipated. He then 'took his measure'—asked the least income on which my friend could live if totally-permanently disabled; at what age he would like to plan on retirement and what amount of retirement income was desired; how much cash would be needed to clear up obligations in event of death; the least monthly income on which this little family could subsist; what sum would be needed for the children's education. This underwriter made no guesses! He let my friend set his own measures. With definite measures, and with the policies my young friend already owned to work from, like a tailor this underwriter set about putting together an insurance suit of clothes, made to measure. Of course he proposed the necessary additions.

Can Take Chances if He Has "Played It Safe"

"The other day a bulletin of the Alexander Hamilton Institute reported losses of \$30,000,000 to depositors in 30 banks, because of the sudden unexpected appearance of a fruit fly. That's typical. He who would enjoy business profits—hazards the chances of business loss.

"Now a man has a perfect right to take those chances if he has 'played it safe' first. A skyscraper may tower high into the sky, but its foundations are sunken to bedrock first. So the building of a man's future should stand first on the bedrock of old line life insurance. Then above ground he may build as 'high, wide and handsome' as his fancy please. Only when he has the foundation right, is he free to spend, speculate with or invest all the rest he can ever earn—living an unfettered life while life lasts. That's the big idea.

"Our mission? Why to carry to all men these tidings of great joy. To

break the shackles of worry, uncertainty, disappointment, dependence, that have bound man for all his history. Economically to emancipate the race. That is the mission of the average underwriter in the era of the second hundred billion, and of the other hundred billions that will follow rapidly. There's a mission to thrill you to the finger tips. And it is just what you have it within you to do every day of your life.

American Public Insured for Only One Year's Income

"We are 'sounding off' to the world today that the life insurance in force has reached one hundred billions. I don't know how much that is. I can't conceive of such a figure. But in terms of today it is no cause for rejoicing. That there is only that amount of life insurance in force is a reflection on our methods—not a compliment. It means that the American public is insured for just about one year's income. It means that we have not yet begun to carry to our fellow-man the gospel of economic emancipation. It means that we should have come to this convention in sackcloth and ashes.

"Why last year the federal tax on cigarettes was three-fourths as much as the deposits made in new life insurance that year. True enough, there are 65,000,000 policyholders; but the average policy is around \$1,000 and little more than half our population is covered. If we had followed any methods, if we had 'carried the message to Garcia' in the past, there could be five hundred billions in force today.

Every Life Underwriter Already Has Best Method

"Somehow every life underwriter already has the very best method in the world. But if any one of us would follow any other, he'd learn that the first has what the second considers no method at all. We're just sure we're all right. Really, as a group, we are a most striking example of the mental paralysis that follows self-complacency. I am not implying that any one should adopt another's method in its details. But as to major principles, believe it or not, there is a best way.

"The doctor, the dentist, the musician, the editor, studies the technique of his betters. The biggest businesses pool their methods, their patents, their production secrets. The federal government provides business with the bureau of standards. Method applies to just everything—except the life underwriter.

Will Break the Process Into Its Essentials

"Of course even he will spend valuable hours and the price of many a golf lesson to learn the right method of play, the right stance, the right swing. Physically he may be altogether unlike his 'pro.' It may be physically impossible for him to stand the same way, swing the same way—but the underwriter wants his golf technique right, if it breaks his neck. But that's for golf. Selling is different—don't you see.

"Well, maybe so. But I believe the average underwriter of the future will conclude that there is a best way of carrying to a client the message of economic emancipation. He will break the process into its essentials: provisions for lump sums where needed; income arrangements for wife, children, parents; old age plans; and so on. With respect to each of these he will conclude and logically that after all there can be only so many essential facts. He will admit a best order for their presentation. For each type of case he will have a sort of mental chain—one link will of necessity break the next and the next.

"Of course, he will not use the same words—that's nonsense. He will exer-

cise his skill in putting those essential facts, rightly ordered, into clear, convincing language that each particular prospect will readily grasp. Just as a great doctor may hold his scalpel in his own skillful way, but he doesn't insist on experimenting as to essentials at each operation. Some day we are going to stop expecting a prospect to have a correct or adequate idea of our wares after we have presented a garbled, incomplete and poorly ordered set of facts upon which he may base his opinion.

"Now in studying the various phases of the business, keeping related facts, news clippings, etc., together, the underwriter may resort to some mechanical means. I know one man who has a black-covered canvassing booklet, letterhead size, for each type of sale he attempts. He adds to and takes from on occasion. If he gets a new newspaper story about a David Buick and a needy old age, he may add that to his folder for selling retirement income. So he can refresh his memory and keep his facts well ordered, up to date. Just what details are followed is immaterial. Another man I know has a file on his desk for each of the various kinds of proposals. It's the breaking up of the task and the constant study of each phase that counts.

Will Have an Altogether Different Idea of Prospects

"Not only will the future average underwriter so break up the task into essentials, so marshal his facts, so develop his skill in making presentations. He will as a result of this have an altogether different idea of prospects.

"Recently an old friend of mine, an insurance salesman for years, called for a visit. He was discouraged, making no progress, writing about the same every year. In the course of our conversation I learned that for years he had been getting names of some sort for prospects—then going out to try to sell them all the same way, hoping somehow to say the thing that would 'put the sale over.'

"I said a while ago that we have, as a group, no methods. I'll take that back. A disheartening majority of us have that method—a narrowness of method that rapidly puts most of that 200,000 life underwriters into a mental straight-jacket, that keeps them down as average or under average producers all of their lives.

Underwriter of Future Will Perfect Technique First

"The underwriter of the future will perfect his technique first. He will get correct methods one by one first. Only then will he think of prospects—trying to find men whose situations fit the method that the underwriter has acquired skill in handling. Then he will bring methods and prospects together with an efficiency that would startle us today.

"And so the future of the average underwriter will be measured by the loftiness of his mission pursued with sound method. I should add 'and his zeal in following it.'

"The ability to dream! Confidence in self that produces, not conceit, but eternal effort! That 'spark' was the most valuable asset which we ever possessed. Without it all our other fine qualities are as dead as the automobile with the battery disconnected, or the radio with the current shut off. We need not lose it. Obstacles are simply road signs pointing to a better way. Milton said: 'The mind is its own place and in itself can make a heaven of hell or a hell of heaven.'

"Most people whose privilege it is to serve others sacrifice themselves in so doing. But in our business you can feel the sublime thrill of serving the other fellow at the same time knowing that

Sets High Ideals



HAROLD J. CUMMINGS
Superintendent of Agencies
Minnesota Mutual Life

the banquet of your own happiness will be spread lavishly before you when the task is completed."

The New Emblem

Gracing the convention literature distributed at the opening of the first session was the new insignia of the organization, a new emblem, incorporating a new slogan, both the winning suggestion in the emblem contest of the past year. "Life Insurance, the declaration



of financial independence" is the slogan and the liberty bell is the basis of the design, though the final draft of the design is yet to be worked out by the committee. One of the suggested designs, slightly varying from that on convention literature and possibly the one to be accepted finally, is shown herewith. Final approval will be given on the convention floor, but the trustees and executive committee have approved the idea recommended by the judges in the contest. Frank L. Jones, Equitable Life of New York; Claris Adams, secretary and counsel of the American Life Convention, and Paul F. Clark, president of the National association.

H. M. Holderness, agency secretary and superintendent of agents of the Connecticut Mutual Life, joined the delegation of agency departments heads Wednesday morning.

Robert G. Richards, agency secretary, and Melbourne T. Abel, assistant superintendent of agents of the Atlantic Life, are on hand to represent that company.

New York Leader



CHARLES B. KNIGHT, New York
General Agent Union Central Life

Real Objective Primary Need

Sales Efficiency Impossible Except in Filling Out Defined Program of Life

CAN CAPITALIZE FUTURE

Life Insurance Offers Only Method of Assuring Full Fruition of Life's Plans

BY JOHN W. YATES

Mr. Yates is general agent of the Massachusetts Mutual in Detroit and has taken high rank both as an agency leader and personal producer. He entered life insurance after the war, going with the Penn Mutual at Seattle. Later he became manager of the life insurance department of W. A. Alexander & Co. of Chicago, general agents of the Penn Mutual. He went to Detroit several years ago and has been very successful there.

The subject assigned to me is "Selling Efficiency Tempered with Human Sympathy." If we are to consider this subject in its broadest sense first from an analysis of the basic meaning of selling efficiency and second what we mean by human sympathy, we must realize that real efficiency in selling as in anything else must deal with an nth degree of understanding as to the basic principle involved.

Ford's efficiency as a manufacturer goes deeper than the machinery and the facilities with which to manufacture. It is predicated primarily on a basic understanding of (1) what he wanted to do; (2) how best to do it.

Efficiency in Selling Involves Great Objective

Selling never has been nor will it ever be really efficient until it makes possible the attainment of really great objectives and the sale of life insurance will lack efficiency to the extent that it falls short of allowing all the benefits which life insurance can give until it ceases to be merely protection and becomes a vital and economic part of the daily life and plan of a well planned program of life.

With this thought in mind it seems to me that we might easily fall short of both efficiency and human sympathy were we to fail to realize that mere independence in old age is an ignoble end rather than a means to the reward and happiness of the most precious of human possessions—a mother. Our love should be comparably as great as hers. Our psychology as deep and as sound.

Mother's Great Objective Is Success of Children

There is a thing which to a mother is dearer and more to be desired than mere comfort and freedom from worry in her old age. That thing is the hope, long cherished in her heart of hearts, that sometime, somehow, her boy and girl would reach the goal which her fondest hopes had set for them. It is not a goal of definite achievements categorically set down mentally, but rather the goal which can best be expressed by our own so often used phrase "the fruition of life's plans."

Her boy's success is a greater thing to her than her own protection against want—greater indeed than life itself.

We can not think deeply of mother without realizing that the greatest joy

Two Prominent Members



JOHN W. YATES, Detroit
Massachusetts Mutual Life



RALPH G. ENGELSMAN, New York
Penn Mutual Life

that can come to her by way of protection is the joy that can come as a result of a life plan realized. Protection in this sense is to her only another evidence of her son's and daughter's success and her joy and gratitude is assured not because her son can protect her but because he is able to do so as the result of having so planned his life and so carried to fruition that in the eyes of the world he is able to protect her. I would ask you therefore to consider not only her protection but the manner in which that protection is won and to strive to offer her the protection which life insurance can give out of the bounty of a life's attainment which life insurance can be made to assure.

Just because we now have one hundred billion of life insurance in force, let us not undersell it. At my company's convention last week at Swampscott, Dr. Huebner stated that the life value of American citizens was \$2,400,000,000. That being the case, America is still under-insured to the extent of \$2,300,000,000,000.

Only Method Offered to Capitalize Future Earnings

Life insurance is the only method offered to mankind to underwrite and capitalize his future earnings. Easily 90 per cent of the estate of every man is standing in his shoes at the time we talk to him. The only way this estate can be capitalized is through life insurance. Life insurance with its mighty hand reaches out into the future five, 10, 15, 20 years, even for a lifetime, and gathers in the future salary checks of a man, cashes them and places the money in one great heap, then a life insurance policy, like a guardian angel, is placed around these earnings and the life insurance company guarantees their distribution just as the man would do if he were allowed to live and distribute these earnings himself.

Lack of Understanding Is Greatest Obstacle

The only thing that stands in the way of America buying the second hundred billion in the next 12 months is the lack of understanding of our business. Through the use of technical high sounding terms life underwriters have made life insurance very difficult to understand. Most of them should take along an interpreter when they talk to a prospect.

Life insurance is money and will do everything that money will do. If people

are going to need money in the future for anything whatsoever they need life insurance which the companies of America agree to buy back from the purchaser or the beneficiaries when money is needed.

Method Used to Get Prospects to Understand

I shall now give you a method which I have used for many years in getting my prospects to understand what it is all about. On about 90 per cent of all the several millions of business which I have written personally, I have used this plan. Before coming into the insurance business, I was a banker and wondered if banking had taught me anything which I might use to get people to buy and understand life insurance. I always say to a prospect: "I want to talk with you about your program of life, your chief objectives, the things you want to succeed in doing, even though you should fail in everything else." Assuming that I am talking to a married man between 30 and 35 years of age who has a wife and two children, I would say: "Between your present age and 65, you have certain plans which you want to absolutely know are going to be fulfilled.

Some of the Reasons Why Men go to Work

If you ask yourself the question, "Why did I go to work this morning," I believe it would have to be answered, "To make money." If you further ask yourself, "Why do I want to make money," you would probably answer, "To have ready cash or a reserve on hand, to provide shelter, food, clothing and recreation for myself and family, to provide education for the children and then to save enough cash or buy enough income property of some kind so that at 65 I can enjoy financial independence." Isn't that about right?

Old age should be the most beautiful time of life, the time a man can read the books he has always wanted to read, visit the art galleries of Europe, play golf at Palm Beach, be of service to his community, children and grandchildren, or perhaps to put his feet in the window by the fire and dare anyone to take them down.

About five men out of 100 know the meaning of financial independence in old age. Most men expected to be one of these five but because of reverses in business, bad investments and very often

conditions beyond their control, they arrive in the later years of life dependent upon their children or charity.

I have just visited the Friedman Home in New York where there are 110 men and women who measure up to a very high intellectual and social standing, many of them were formerly millionaires and multi-millionaires, but who after reaching the age of 65 were unable to care for themselves and are at this wonderful home endowed by Friedman, instead of being in the county poor farm. The James C. King Club of Chicago is another such home.

Plan Offered to Guarantee Income

It is not likely that you will ever be one to occupy one of such places but I have a plan which will absolutely guarantee an income to you as long as you live, beginning at whatever age you select which I want to talk to you about. I represent a financial institution as strong and as safe as the Federal Reserve Bank, which would agree today to set up a trust for you of \$100,000, payable to you at the age of 65. All we will ask you to do in the meantime is to pay us 3 per cent interest on the principal. We shall not ask you for any collateral, or an endorser and not even for a reference, but by the payment of 3 per cent, just half of the legal rate of interest, the principal becomes yours at 65, or if you prefer we will pay you \$5,000 a year income for life and at your death \$5,000 a year to your wife as long as she lives, at her death \$5,000 a year to your children as long as they live and still have \$100,000 in the trust to be paid to your children's children, to charity or in any other manner you may select.

If between now and the age of 65 you should lose your earning power through any form of accident or illness, we will put a provision in your trust guaranteeing that we will keep up your payments for you and at the age of 65 pay you the \$100,000 or the income from it, whichever you prefer.

While making your interest payments for you we will pay you 6 per cent interest on the trust at the rate of \$500 per month or \$6,000 per year and at the age of 65 if you are still unable to earn, we will continue your \$6,000 a year for life and give you the \$100,000 besides.

If you should be so unfortunate as not to live to the age of 65 to get this trust yourself we guarantee to immediately cancel all future interest payments and the cash trust of \$100,000 will immediately become the property of your wife and children without the payment of another cent, and if you want us to become the administrator of the trust we shall do so without charge.

Suggested Program of Payments Offered

In that event I would suggest that we immediately:

1. Pay your wife \$5,000 as a clean-up fund for current debts, last expenses of illness, taxes and so forth.

2. Pay your wife \$10,000 cash to be put in the savings bank as a capital account or for any future emergencies which might arise.

3. Pay her \$7,500 to pay off mortgage on your home, thus guaranteeing that your wife and children will have shelter for as long as they shall live.

4. Pay your wife \$300 per month for the first twenty years while the children are growing up and then \$243 per month for life thereafter, thereby making sure that she can never come to want.

5. Pay your wife \$100 on Dec. 1 of each year as long as she lives for Christmas money.

6. Pay each of your two daughters \$20 per month beginning immediately and continuing to age 14.

7. Pay your daughters \$30 per month between ages 14 and 18, thus giving

them \$1 a day while going through high school.

8. Pay your daughters \$100 per month between ages 18 to 22 to guarantee their college education if you should not be here to see them through.

9. Pay each of your daughters \$140 upon completing their college education as a graduation present.

10. Pay each of your daughters \$2,500 in cash immediately at the death of your wife, thus giving them the necessary funds to settle her estate.

Guarantee That They Can Not Come to Want

11. Pay each of your daughters \$80 per month for life beginning immediately at the death of your wife, thereby guaranteeing that neither of them can ever come to want.

12. Pay each of your daughters \$50 the first day of December every year as long as they live as a Christmas present.

13. At the death of your daughters pay such charities as you might like to remember \$20,000 in cash.

14. Pay your children's children \$22,000 in cash.

15. Pay your own mother \$30 per month as long as she lives so that she may ever know that her son did not forget.

This is my own program of life represented by the first \$100,000 of insurance which I bought. I have since purchased \$250,000 additional to supplement these payments and to guarantee that no individual who has an economic interest in my life can lose.

Life Is Matter of Inter-Relationships

Life is a matter of inter-relationships. The relationship of husband to wife, of father to child, of debtor to creditor, of president to corporation, of business partner to business partner, and so on, and wherever in the inter-relationships of life one individual can lose because of death of another, life insurance is the one means a man has of guaranteeing that from an economic standpoint those interested in his life financially are just as well off with him six feet under the ground as they are with him in full possession of body and strength.

What we really do is to underwrite a program of life and guarantee that the hazards of a lack of a plan, loss of income through disability, through old age or death are absolutely removed from a program of life. Life insurance guarantees what it promises and it promises that old age, disability and death as hazards to achievement, are absolutely removed from a program of life.

Life insurance is a great financial plan which merges the individual into the mass and places behind the frailty of man standing alone the immeasurable strength of men standing together.

Lead Prospect to Bag of Gold Instead of Coffin

The value of this sales talk is that we lead the prospect up to a bag of gold instead of up to a box about three feet square and seven feet long. I have found it to be easier to lead him up to a beautiful old age first because of appealing to his selfish side, then to give him a plan which removes all hazards to a life of achievement and if he will then not buy, I kill him and put him in the box.

I first speak of ready cash or reserve which means the cash value on his life insurance policies during life or a clean-up policy at death. If I can not get him to purchase anything more, I commit him to the fact that his present insurance is intended for his family and ask him if he would want to have his personal insurance reduced from \$3,000 to \$5,000. If he says no, I show him that it will be reduced by this amount be-

cause of his last expense of illness, etc., and proceed to sell him a clean-up policy if that is all I can do.

Places Policy As Mortgage Eliminator

The next item is shelter and if he has a mortgage, I attempt to place a mortgage policy which I call a mortgage eliminator, an instrument attached to a mortgage which eliminates it immediately on the death of the man responsible for the payment of the mortgage. If he has no mortgage I try to arrange for a monthly income contract of sufficient amount to pay the rent of an apartment or home in which they live.

The next three items, food, clothing and recreation, is a monthly income contract for the necessities of life. I think monthly income is the soul of life insurance, it is a winged messenger of peace, it is the instrument by which a man justifies faith which his family had in him. Lives of dead men oft remind us we can make our wives secure and departing leave behind us monthly income sufficient and assured.

Show Importance and Value of College

The next item is the education of children and I have a special sales talk which I use to show the importance and value of a college education.

Whatever else a man's plans are in life for business, for his mother and father, for payment of inheritance taxes, anniversary presents, payment of debts or anything else that constitutes his life plans, I simply make the trust large enough to embody all of these things and loan him the money at a low rate of interest.

While sitting on the beach under a large umbrella on the shores of Lake Michigan a few years ago, I was asked by the man under the next umbrella what my business was.

When I told him I was in the life insurance business he threw up his hands and said: "My God, I think I would starve to death if I had to sell life insurance for a living". I told him I didn't sell life insurance but told people about it and they bought it. I asked him his business, to find he traveled out of Chicago for Wilson Brothers, gents furnishes, which meant he had eight or ten large trunks filled with samples which he carted around from town to town throughout Michigan and Indiana. He had to catch trains at all hours of the day or night, unpack his trunks upon arrival, display his merchandise, go out and get merchants to come in, take their orders, pack up again, get his trunks to the depot and catch the next train out even if at three in the morning. How many life underwriters in the audience would like to swap jobs? I see no hands up.

Tells of Proposition as Offer to Lend Money

In a casual conversational sort of tone I said to this man that a man was in to see me the other day and said he represented a company that had over \$200,000,000 in cash and securities. They had money to burn but didn't like to smell the smoke so they were lending it out at 2½ per cent interest. He said if I would pay him just 2½ per cent interest on \$25,000 until I was 65 years of age, they would give me the principal.

He also said if I couldn't meet my interest payments on account of losing my earning power through any form of accident or illness, they would keep up my interest payments for me and still give me the \$25,000 at 65. He also said his company would pay me 12 per cent interest on the principal at the rate of \$250 per month, \$3,000 a year, and still give me the \$25,000 at 65.

He further stated, that if I shouldn't live up to 65 to get the principal myself, the company would guarantee to immediately cancel all future interest pay-

ments and pay the principal of \$25,000 to Mrs. Yates and the children or give Mrs. Yates \$103 per month for life, pay the children \$103 for life and still have \$25,000 to be paid to my children's children or to charity.

He asked me many questions about the matter, for he seemed to think the story was entirely too good to be true.

Asks What He Has to do to Negotiate Loan

Three weeks later when I was back at my desk working, I saw this little fellow coming down the aisle with two big sample cases in his hands. He said he awoke on the train at 4 o'clock in the morning and couldn't go back to sleep from thinking about that loan I was telling him about. He asked what he would have to do in order to negotiate such a loan and I told him he would have to get examined as only those physically fit could qualify.

He said: "Put me through the ropes." I called a doctor and he paid me \$837 as his first interest payment, the commission on which incidentally paid all the expenses of myself and family for a two weeks' outing at the beach. Yet he thought life insurance was hard to sell.

While at home a day recently, I received a telegram from his wife saying: "Joseph died last night. Ill only two days, cancer of brain cause." In the course of a few days I sent his wife a check for \$8,000, which paid the burial expenses and the mortgage off their home in Glenview, Ill., a suburb of Chicago.

Will Receive Checks Until Daughter is Ready for College

I also sent a check for \$200, which amount she will continue to receive until little Betty Jane is ready for college. There are four baby daughters—the oldest 9 years old last August. As each daughter is ready for college she will receive a check each month to see her through. The mother's income will never be less than \$160 per month and at her death each of the daughters will receive \$5,000.

His program of life had been written up for him and when he finished taking orders for shirts he would take it out and with great pride show the merchant what he had done. It helped him sell a program of merchandising and incidentally I sold about \$200,000 because of his influence.

Just suppose I had failed to tell him the story that day. He probably would have died with his government policy payable to his mother and \$2,000 payable to his wife.

Called Life Insurance Because It Continues Life

The reason for buying life insurance is not because the insured is going to die, but rather because someone else is going to live and must be provided for. It is called life insurance because it continues life.

The home unsheltered by life insurance carries dread upon its portals. The home properly protected by life insurance becomes a haven of optimism.

The meanest man in the world is he who has an obligation and can pay but won't. Life insurance provides the one sure way for a man to guarantee the payment of all financial obligations which he has, in case he does not live and his oldest obligation is his family.

Life insurance is a great financial plan which merges the individual into the mass and places behind the frailty of man standing alone the immeasurable strength of men standing together.

Lose Sight of Needs Served by Small Policy of Insurance

We often get to thinking about big policies and lose sight of the great needs which are served by even a small amount of insurance. Recently I settled a death claim for \$51 on a policy

which had lapsed 14 years ago after the husband had paid the premium for ten years and then made a loan for approximately what he had paid in. The policy lapsed for \$51 paid up insurance and each year we mailed the insured a small dividend check. This check was returned to us by the postmaster in the small town in which the insured lived, with the information that he was dead. After considerable correspondence we found that his widow had moved away. We finally located her and it would have done your heart good to read the letter she wrote acknowledging the \$51 check. She said: "You will never know how much that check means to me."

Will Have to Be Efficient to Survive

Every man carries the yardstick by which his soul is measured, and it is the soul power which we put into our salesmanship which will greatly accelerate the day when the second hundred billion will be in force, and doing its work for the needy human family.

The life underwriter of the future will have to be efficient to survive. It will be necessary for him to have a crack sales talk for every need that life insurance fills and be able to so file efficient sales ideas in his memory for each individual need that when the necessity arises for presenting an educational plan, a mortgage contract, a monthly income proposal, a business agreement or whatnot, he can instantly launch into a logical presentation of that idea in the fewest words possible tempered with sufficient human sympathy to get the desired action.

One of the large and attractive displays in the lobby of the convention hotel is that of the trust company division of the American Bankers Association. Stretching across the back of the exhibit room was its life insurance trust exhibit, with a large delegation of trust company men in and about the booth.

Gives Invitation



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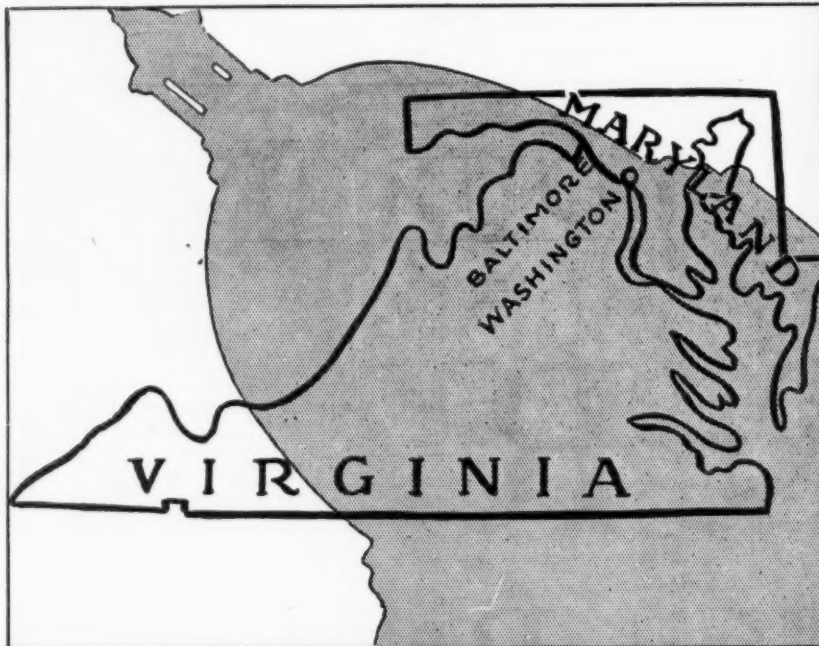
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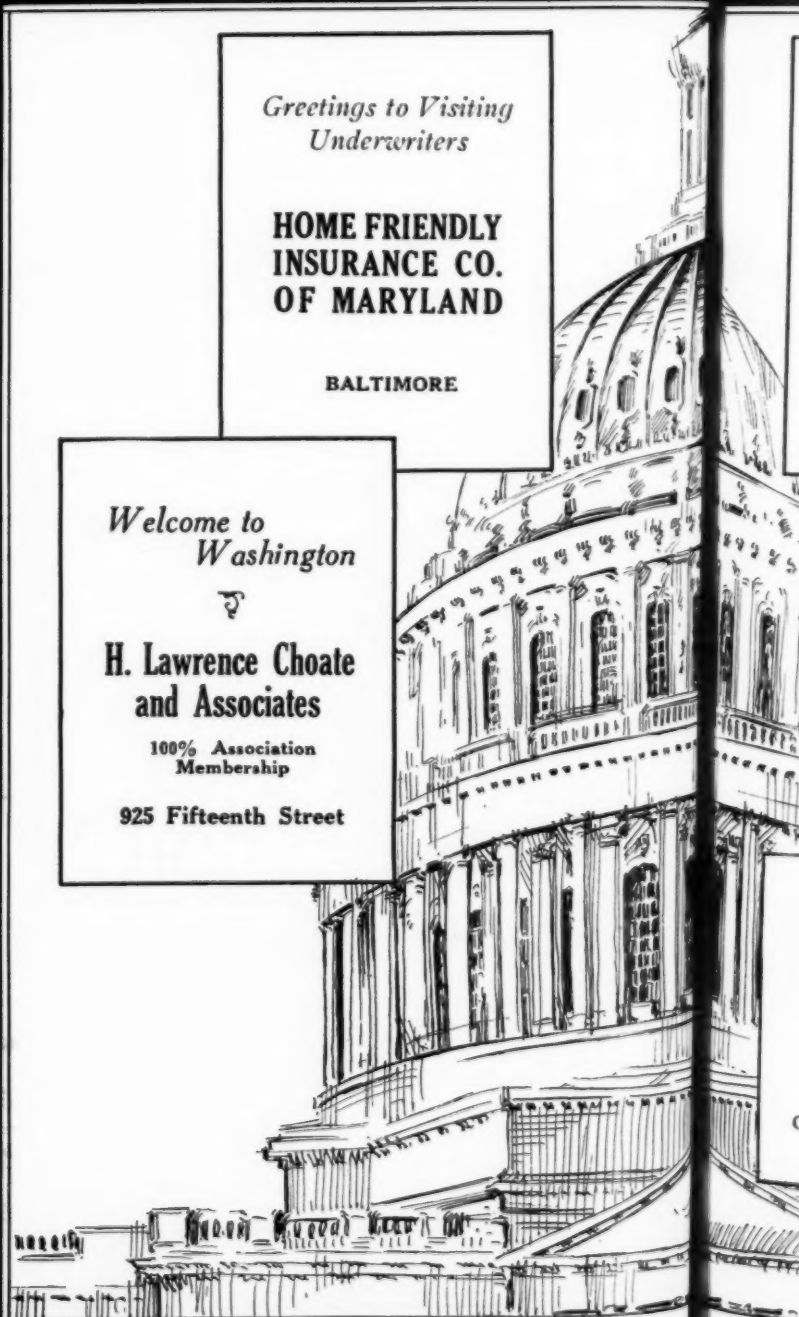
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Welcome

To Members of The National Association of Life Underwriters in Convention at Washington, Greetings and Welcome from New York:

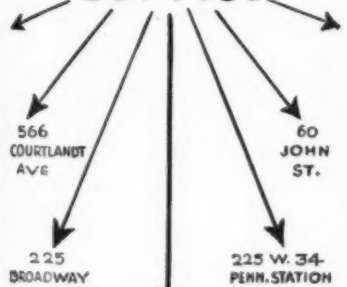
The General Agents represented on these pages feel that they are expressing the sentiments of all New York agents in affirming New York's allegiance to the high principles of The National Association of Life Underwriters.

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THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Tells Business Purchase Plan

(Continued from page 6)

possible for such corporation to buy in its stock. Therefore, the beneficiary, either in the case of a partnership or the corporation, should be the individuals who must pay over the money to purchase the interest, in other words the survivors. Each member of the business unit would have issued on his life a policy payable to the other members of the unit.

Premium Pool Is Suggested

The next point to be considered is the payment of premiums. If the survivors are to be the beneficiaries under such policies, the survivors, of course, should pay the premiums. In other words, each member of the business would pay the premiums on the policies on the other members. The method of furnishing funds for the payment of these premiums is handled by having the premiums charged to the accounts of the individuals in the case of a partnership, or to have a resolution of the board of

directors raising the salaries of the members of a corporation sufficiently to take care of the premiums. In this connection, we have a difficulty where one member is considerably younger than the other member. In such case, how can we equalize the burden. This difficulty is overcome by pooling the premiums and having each individual paying that portion of the premiums on the lives of the others which his interest in the business bears to the business as a whole. In this way, instead of having the premiums determined by the age, the premiums would be determined by the interest in the business, which seems to me to be the logical answer.

Death Value Plan Presented

Next in order is to determine what the estate of the deceased shall receive in the event of death. The proceeds of the insurance, of course, are available to the estate in exchange for its interests, but in addition to that, is not the estate of the deceased entitled to some interest in the policies on the lives of the survivors for which he has paid? Or to put it another way, is not the estate of the deceased entitled to the value of his interest plus whatever it cost him

to get it? There are two ways to handle this situation. The estate of the deceased may be paid a value represented by the cash value of the policies on the survivors, but should death occur in the earlier years, the estate of the deceased makes a sacrifice. It seems to me that a much better method is to have the estate of the deceased paid what it cost the estate to get that interest, namely the premiums themselves, and in the agreements which I have worked out, the individuals interested have always seemed to favor the idea that it is a very good thing to have the premiums themselves returned to the estate of the one who should die, in addition to the value of the interest.

Amount vs. Value of Interest

We have next the question of a difference between the amount of insurance and the value of the interest in the business as determined at the date of death. Suppose in the first instance that the value is greater than the amount of insurance. The agreement should provide that if the insurance is insufficient to cover the interest, the survivor should arrange for the payment of the excess value on a time basis of some kind depending on the size of the business. If the business is a small one, the time for payment of the excess might very well be a short time because such excess would necessarily be rather small. In the case of a large business, the excess might be quite a considerable amount, and in such case the length of time the survivors would have to make up the deficiency would have to run over a longer period.

Question of Variation In Values

As surety for the payment of excess value the survivor should give notes, and the estate should hold as collateral for the payment of the notes, the entire value of the interest until the notes are taken up. In the case of a value which is less than the amount of insurance, there are two methods. One is to have the insurance itself represent a minimum value, so provided in the agreement, in which case the insurance is always the smallest amount the estate of the deceased shall receive. The other instance, is to have the estate of the deceased receive the actual value of the interest, even though less than the amount of the insurance, together with the premiums that he has paid and the balance of the insurance would belong to the survivors. I would say that the consensus of opinion in concerns to which I have talked is that the actual value of the business interest should pass together with premiums paid and the excess insurance be retained by the survivors. This is a matter for the individual judgment of the concern in question.

Question of Partial Uninsurability

Next we have a much more difficult point. Suppose one of the members of this business unit cannot get insurance. Let us treat this in a logical manner. The matter we are considering is not the purchase of life insurance, but an

agreement for the purchase of a business interest. Now if one of the members of this business cannot get life insurance, he must make some other arrangement with the survivors, in the agreement, whereby his interest may be taken over under some time arrangement or some other method satisfactory to those involved. Because this man cannot get life insurance is no reason whatever for disturbing the idea that there should be a contract of sale made. A method which has been used successfully in a number of cases is to have the man who cannot get life insurance set up a sinking fund to which the other members of the business unit shall contribute an amount equal to the premiums which would have been paid had he been able to get life insurance. This sinking fund, while not self-completing as life insurance is, still it will help the survivors considerably in making up the amount necessary to purchase the interest, and a reasonable time agreement to take up the balance is workable. I say it is workable, because agreements of this kind have been entered into to the satisfaction of all concerned.

Right of Withdrawal Should Be Retained

Leaving the matter of life insurance for a minute and going back to our basic idea, the contract of sale, just how tight shall we make this contract of sale. I believe that there should always be the right in the agreement for any member of the partnership or the corporation to withdraw at any time he so desires. But, especially, in the case of a close corporation, his right to withdraw should be dependent upon a right in the survivors to purchase his stock before he may offer it outside, and this right to purchase must give time to the survivor to make the adjustments necessary to get the money together to buy the stock of the one who withdraws, even though a time arrangement is necessary to carry this out. I say that the right of withdrawal should be contained in the agreement, because it is so much more workable an agreement and so much easier to get the contract completed in the first place if such a right of withdrawal is contained therein.

Plan for Termination Should Be Included

A very important part of such a contract of sale is its termination provision. The contract should terminate, of course, by mutual consent. It should terminate by a time limit, especially in the case of a partnership. Whether a time limit is advisable in the case of a close corporation is a matter that cannot be laid down as a rule, but must depend entirely upon the individual situation. There is nothing legally wrong with an agreement of such nature which has no definite time to run. The agreement would terminate on dissolution in case of a partnership or corporation, in the case of bankruptcy or in the case of insolvency. Their termination clause also should provide for a termination of the agreement in case one of the members of the business withdraws.

The next point in order is the handling of the stock in the case of a close corporation. I am firmly of the opinion, for the protection of all those involved

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LINCOLN, NEBRASKA.

MR. PAUL F. CLARK, PRESIDENT,
NATIONAL ASSN. OF LIFE UNDERWRITERS,
NEW YORK.

DEAR MR. CLARK:

IT APPEARS THAT THIS MEDIUM IS THE BEST AVAILABLE IN WHICH TO CONVEY TO THE NATIONAL ASSOCIATION AND YOU, ITS PRESIDENT, A MESSAGE OF APPRECIATION FOR THE GOOD WORK THAT HAS BEEN ACCOMPLISHED DURING THE PAST YEAR.

THE ASSOCIATION'S IDEALS HAVE BEEN STRENGTHENED. THE PURPOSE OF THE ORGANIZATION HAS BEEN MORE CLEARLY PORTRAYED. THE REASON FOR UNITED EFFORT HAS BEEN FULLY DEFINED. LIFE INSURANCE, FROM THE STANDPOINT OF A COMPANY, ITS REPRESENTATIVES IN THE FIELD AND THE BUYING PUBLIC, WILL ALL PROFIT BY THE NATURAL RESULTS OF THIS BETTER UNDERSTANDING.

THE WORK IS BUT WELL BEGUN. YOUR SUCCESSOR WILL CARRY ON. WE BESPEAK FOR THE ASSOCIATION CONTINUED SUCCESS AND PLEDGE OUR LOYALTY AND SUPPORT.

Very truly yours,
A. B. OLSON,
Manager of Agencies.

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that the stock itself should be endorsed across the face that it is subject to this particular agreement of sale, so that it will not get into the hands of an innocent holder and thus be free from the agreement itself which would be the case without the endorsement. The stock should also be deposited either in a safe deposit box or in some other manner which we will take up later. But the owner should reserve to himself all voting rights, dividends, and other incidents of ownership not inconsistent with the agreement of sale.

Easy Transfer Should Be Possible

In addition to the endorsement across the face of the certificate, it is also advisable to have the certificate endorsed in blank for purposes of easy transfer, together with a power of attorney. This would be considered a power coupled with an interest and would give the holder the right to make the necessary transfer of the stock. I might emphasize at this point the necessity of having a responsible depository for such stock and such power of attorney. We will take this up later. I do not believe that these agreements can be readily brought about if we are going to insist upon the stock certificates being re-issued in the name of the depository. This involves too much forfeiture of right on the part of the real owner of the stock, and would be strenuously objected to by the members of the corporation.

The agreement should include a clause not to use the policies for any other purpose, a clause obligating the signatories to the agreement to pay the premiums, and a clause binding the parties to the agreement and their estates to execute all necessary papers to carry the agreement into effect.

The next point to be considered is the payment of the money and to whom. Some times these agreements are drawn up so that the beneficiary of the life insurance is the wife of the insured. This to my mind is not the proper procedure for two reasons. One is, that you do not escape, probably, the inheritance tax, because when the wife receives the money she is not receiving proceeds of life insurance directly, but is receiving the proceeds of a contract of sale, and tax men with whom I have talked say that it is very likely that such insurance money would be taxable even though payable to the wife. The second reason is, that the wife as beneficiary of the life insurance might very well accept the money as beneficiary and say, "Thank you very much. Now I want the value of my interest; this life insurance has nothing to do with my interest in the business. It was paid to me directly by the insurance company and it has no relation whatever to the business. I now want my interest in the business." It is a much better method to my mind to have the insurance payable to the personal representative of the deceased, preferably, of course, a corporate executor, to be added to the balance of his estate, to be dis-

posed of under his will and testamentary trust.

Question of Various Estate Taxes

Next as to the tax situation in such agreements. In the first place, we have the federal estate tax. The life insurance money is not taxable under the federal estate tax for the very simple reason that it is not part of the estate of the insured, but is owned by the survivors, premiums paid by the survivors, and has nothing to do whatever with the estate of the deceased and is not subject to the federal inheritance tax. The only value that is subject to tax would be the value of the interest of the deceased in the business, which interest might be less than the amount of insurance, and this is the only value subject to tax. This applies equally well to the state inheritance tax or the state estate tax. Premiums paid for life insurance under business purchase agreements are not deductible under the income tax, and any method of evasion in all probability will be unsuccessful. The premiums would be included in the income, and subject to the tax. You have a further tax in each state, personal property tax, possibly an income tax, but this matter is one that will have to be taken up by the individual in the particular state in which he is located.

The next point in order is whether or not it is advisable in carrying such an agreement into effect to use the services of a trust company. If such an intermediary is not used the estate of the deceased would have to depend upon the

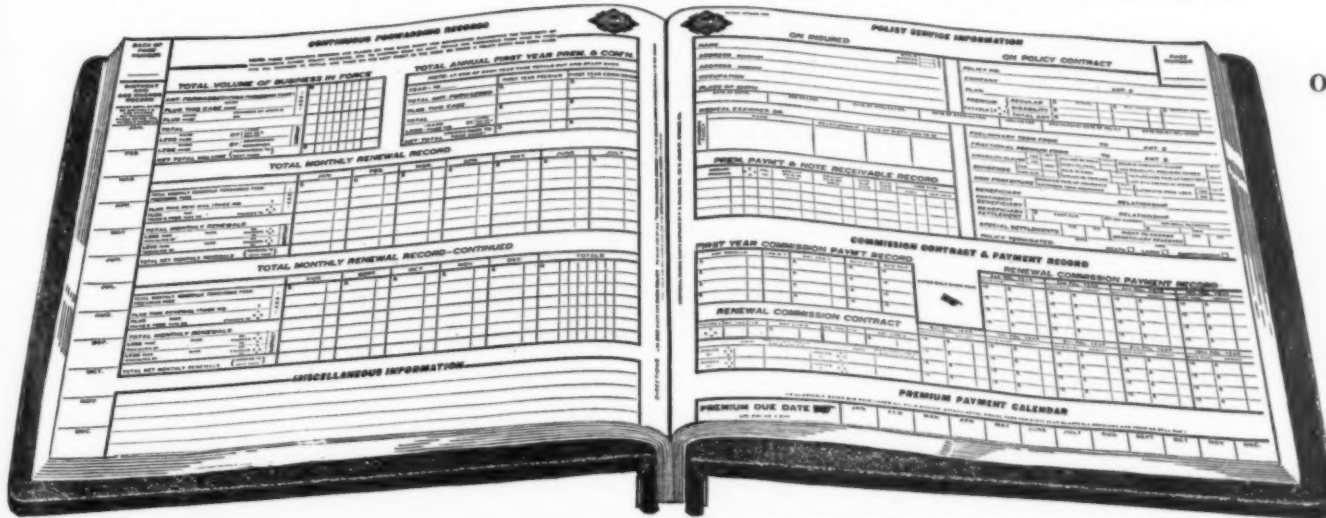
survivors to carry out the agreement or the survivors would have to be subjected to the idiosyncrasies of an executor or an executor's attorney. It is not a very hard matter to see that much trouble might ensue. How much better it would be to inject into the agreement the services of a trust company, more in the nature of an escrow agreement, where the trustee is a depository for the stock and for the life insurance, and at the time the agreement is to be executed, we have an impartial, unbiased party who will see that both interests, the interests of the deceased and the interests of the survivors, are properly taken care of and protected. It prevents wrangling, prevents bitterness and is by far the most feasible way of handling the situation. In handling the stock, the stock should be endorsed in blank and deposited with the trustee, and assuming a responsible trustee, a corporate trustee, there is plenty of protection to either side against the use of the stock by the trustee for any other purpose, and if the stock is itself endorsed on its face, subject to the agreement of sale, all parties to the agreement are protected one hundred per cent.

Henry J. Powell, general agent at Louisville for the Equitable Life of New York and a past president of the National Association, introduced President Parkinson of the Equitable at the Wednesday session. Mr. Powell is one of the old wheel horses of the association and was in a familiar setting on the convention platform.



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POINTS TO THE FUTURE

Pictures Lapsation as Great Danger
to Life Insurance, Though
One Easily Offset

BY THOMAS I. PARKINSON

Mr. Parkinson is president of the Equitable Life of New York and one of the outstanding life insurance executives of the country. He is a lawyer by training and has achieved high rank in that profession. He became second vice-president of the Equitable Life in 1910 and vice-president in 1926. He was elected president of the company in October, 1927, on the retirement of Judge Day to become chairman of the board.

The achievement of one hundred billion dollars of life insurance in force represents the completion of an important stage in the development of the most outstanding and successful scheme of conservation known to civilization. The significance of this accomplishment is too great to be embodied in mere figures. It is to be found rather in the moral and financial strength which the protection afforded by this insurance has given to the individuals comprising the body politic; in the stability which the assets securing the payment of this insurance have given to the body economic; and in the increased extent to which the social values inherent in the family and the home are being preserved and perpetuated.

Huge Funds Have Double Importance

Viewed from these aspects it is seen that the 65 million policyholders who own the huge volume of life insurance now in force in this country are making a many-sided contribution to its social and economic progress. Out of their premium payments there have been accumulated assets amounting to seventeen billions of dollars. This great fund on the one hand guarantees the payment of outstanding insurance at maturity, and on the other provides a reservoir of capital which is constantly flowing out into every nook and corner of our country to finance the purchase and equipment of farms, the construction of modern buildings for domestic and commercial housing, and the development of our transportation facilities and rapidly expanding public utilities. Even more important is the contribution which life insurance makes to the peace of mind of the insured, thereby releasing his initiative and energy from the bonds of fear and worry, and making those qualities available for use in the constructive fields of public leadership and good citizenship. Most important of all, however, is the contribution of life insurance to the elimination of poverty and to the promotion of the health, education and happiness of dependent beneficiaries.

Supervision Contributed to Splendid Standing

When we attempt to place the credit for this accomplishment where it belongs we find among the forces chiefly responsible for it the life underwriters of this country who have devoted energetic and determined efforts to the task of persuading our citizens of the value

of life insurance. But I venture to say that their efforts would not so soon have been rewarded with such great success had not the executives of the companies, by a course of earnest, intelligent and honorable dealing, succeeded in raising the administration of the business to a plane which won for it the respect of the public. Nor can we overlook the contribution which government has made to our business, for governmental regulation has been an important factor in creating for us the most valuable asset we possess, namely, the confidence and trust of the public.

Must Develop, Deserve and Justify Confidence

All that life insurance has accomplished; all that it can hope in the future to accomplish, has been and must be founded upon public confidence. The problem which now confronts us, therefore, is to develop, to deserve, and to justify public confidence. Our task is that of the educator and the missionary, to convince the individual that his objectives in life and his obligations to others must be protected against the risk of his premature death, and then to persuade him that the institution of life insurance may be depended upon to provide such protection.

Conservation Big Part of Second Billion

The life underwriters have done magnificent work along these lines of education and persuasion, but the volume of lapsed and surrendered insurance indicates that in the conservation of the first and the rapid creation of the second hundred billion dollars of insurance there is room for a more determined and convincing type of advocacy than has prevailed thus far. We cannot consistently emphasize the professional nature of life underwriting and expend so much effort on selling new insurance without feeling and discharging the responsibility of preserving and continuing coverage which has actually been placed. Except where a financial emergency arises or where the need which originally gave rise to the coverage terminates, surrender or lapsation indicates a failure to instill in the mind of the policyholder that true appreciation and understanding of the nature of his purchase which it is the underwriter's obligation and professional privilege to convey.

Must Realize and Act Upon Responsibility

Unless this professional responsibility is sensed and acted upon, the fate of insurance written by private companies may be comparable to that of the government's war risk insurance which at its peak reached a total of forty billion dollars and has since declined to less than four billions.

Concrete evidence of the fact that there is need for such improvement is found in the Connecticut insurance department's report for the business of 1928. The figures in this report relating to lapses and surrenders, which may fairly be said to be typical of the recent experience of American life insurance companies generally show:

Total written	\$12,621,000,000
Total surrenders.....	1,464,000,000
Total lapses	3,539,000,000

More Than 39 Per Cent of Amount Written Lapsed

In other words, insurance coverage amounting to more than five billion dollars, or more than 39 per cent of the new business written during the year, went off the books of the companies doing business in that state. "In at the bung, out at the spigot" is a practice which hinders our progress and tends to undermine our enthusiasm. Even where lapse or surrender does not result in an irreparable and tragic loss to a beneficiary—and we all encounter such cases

at some time in our experience—the insured is all too prone to forget the interim protection which he has enjoyed and become a broadcasting centre of discontent and opposition. If we could improve our lapse ratio by 10 per cent I venture the estimate that we would thereby increase our production by 20 per cent, due to the continuance of an enthusiastic attitude on the part of our policyholders.

Lapses Must Not Impugn Surrender Values

We are reminded from time to time of the extent to which lapses and surrenders have their inception in those provisions of the modern life insurance policy which makes its cash value available to the insured after a limited period of time has elapsed. We must not overlook the fact, however, that this privilege in many instances forms the inducement by which a prospect who otherwise might not be willing to make the financial commitment involved in the purchase of a policy is persuaded to buy needed insurance protection. It is true that a policy which has been pledged by the insured as security for a policy loan may be on its way to termination, but we must not, because of the difficulty which such a situation presents, abandon the policyholder to such a fate. The same amount of effort which originally sold the policy will preserve it, and such effort will be worth while for the agent and for the company which he represents.

Must Sustain High Purpose of Policyholder

It would, in my opinion, be taking a backward step to put obstacles in the way of the insured's realizing in an emergency upon the value which his

premium payments have built up, but we should lose no opportunity to bring home to our policyholders the fact that the same high purpose which inspires them to take life insurance requires that they continue it and not divert its value to a purpose other than that which the insurance proceeds would serve, namely, the protection and support of the beneficiaries. In this connection it is interesting to note that while policy loans have grown in volume, they now represent a smaller percentage of total life insurance assets, and also of reserves, than they did during the period 1911 to 1921. On Dec. 31, 1928, the total loans outstanding on policies amounted to \$1,668,000,000 or approximately 12 per cent of total assets and 14 per cent of reserves. The companies reporting to the Association of Life Insurance Presidents showed for the year ending Dec. 31, 1928, 11.1 per cent increase in assets and 12.4 per cent increase in policy loans; and for the six months ending June 30, 1929, 10.4 per cent increase in assets and 13.2 per cent increase in policy loans.

When we consider that the liberal loan values of the modern policy make possible a huge demand for funds by holders of life insurance policies, the fact that there has been no abnormal in-

crease in policy loans even in the recent periods of abnormal demands for money indicates the recognition by the policyholders of the fiduciary nature of the obligations which they have undertaken to discharge by means of their policies.

Before leaving this subject I think it only fair to point out that all American business has suffered in its pioneer days from inefficiency and waste, and that in so far as we have been unable to cope successfully with the evil of lapses and surrenders we have been no exception to this general rule. The important thing for us to realize is that the lapsation and surrender of policies constitute the primary sources of the waste for which we are accountable, and therefore provide us with the greatest opportunities for leadership in the direction of increased efficiency and improvement.

Badly Sold Policy Is Tagged for Termination

Probably the principal reason for this wastage is to be found in our methods of selling and in our prospects' reasons for buying. The policy which is not in the first instance suited to the insured's needs, or which is delivered without the insured's having been convinced of his need for the protection which it af-

fords, is tagged for termination from the very start. It must be remembered, however, that the most effective type of selling, based upon the analysis and programming of the insured's needs, will not inevitably forestall the termination of the insurance, because a change of circumstances may result in a cessation of the need, and then a justifiable termination will follow. For example, business insurance bought to guard against the loss by death of a key-man has served its purpose when he ceases to be connected with the concern which originally purchased the insurance.

If public confidence is the cornerstone of our business, we must unqualifiedly condemn administrative or underwriting methods which emphasize the greater desirability of either a company or a form of policy other than that in which the insured has invested or proposes to invest. However polite the language used to describe or justify so-called "changes" of policies, the net result is almost always indefensible from the point of view of the policyholder. And by way of indicating that I appreciate there is opportunity in these matters for the executive as well as the underwriter, I venture to suggest that there might be less unprofessional selling if executives emphasized the ulti-



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mate good of the business rather than the production of volume.

Proposals Open to Constructive Criticism

As I have said, our governments, federal and state, affect to an important degree the conservation and development of life insurance in this country. The business enjoys public confidence as never before in its history, and for much of that confidence we are indebted to the state laws regulating insurance and their efficient administration by insurance officials. On the whole our business has thrived under governmental regulation. It is therefore with much appreciation of the cooperation which we have enjoyed from public officials, legislative and executive, that I venture to offer what I trust will be accepted as constructive criticism of current practices and proposals with respect to taxation of life insurance funds.

Life Insurance Serves Many Public Purposes

Obviously the attitude of taxing officials toward the taxation of life insurance depends upon the extent to which they understand the real nature

of the business and appreciate the public service which it renders. In this connection it should be pointed out that life insurance serves many of the purposes which in foreign countries are carried out by governmental action. Some of the things that governments try to do for men in foreign countries men do for themselves here through the great cooperative institution which we serve. Without exaggeration we may emphasize the contribution which life insurance has made and is making to the realization of the great purposes of our government, to wit, the promotion of the health, happiness, education and general welfare of our people.

Policy Is Assured's Covenant with Society

President Hoover in his public utterances has frequently emphasized the progress which we have made in the banishing of poverty and securing to each individual an equal opportunity. He would be the first to add that these results have not been obtained solely by governmental activity. They represent rather the individual thrift, the study sense of responsibility and the social-mindedness of our people. Without claiming too much for life insurance

it is enough that it is one of the principal tools made use of by the American people to assure to their dependents protection from poverty, an education and a fair chance in life. In fact it has been said that a life insurance policy is the insured's covenant with society that he will contribute to higher standards of life by increasing the future opportunities of his own dependents.

Notwithstanding these contributions of life insurance to the functions of government, it does not enjoy the preferred status or exemptions generally accorded to mutual and cooperative institutions performing important public services, e. g., savings banks, building and loan and other cooperative associations, but on the contrary is heavily taxed. In the year 1927 our companies paid approximately 67 million dollars in taxes of which 50 million went to the states and 17 millions to the nation.

Misconception Led to Present Tax Policy

That life insurance does not share with other cooperative institutions more favorable treatment under our tax laws is probably due to the fact that when it first assumed importance in our fi-

nancial and economic life, it was largely in the hands of stock companies, whereas the savings banks and building and loan associations have from their inception been in form as well as in fact mutual institutions. The first life insurance funds in this country were not only mutual but also philanthropic and religious in character. They were the funds insuring the lives of ministers of Presbyterian and Episcopal churches. But the fact that the business was later developed by stock corporations led to a misconception on the part of public officials as to its real nature which is still reflected in our tax laws. By far the greater part of existing life insurance is conducted by institutions which are in form as well as fact purely mutual and cooperative, and most of these institutions which still remain stock companies in form are in fact conducted on a mutual basis.

Disappointment in Report of Congressional Committee

We recognize that this problem of taxation is not a scientific matter but rather the very practical one of providing revenue to finance expanding governmental services. It would be idle therefore to suggest—though it would be scientifically demonstrable—that life insurance should be free from all taxation except that necessary to pay the cost of governmental supervision of the business. It is, however, reasonable to expect that as the federal government proceeds with the dismantling of its war tax system our federal tax laws will set a good example to the states by substantially reducing the tax burdens of life insurance policyholders. Under these circumstances it is to say the least disappointing to find the tentative report of the tax expert of the congressional joint committee on internal revenue recommending an increase in federal taxes on life insurance.

Hopeful Signs in State Legislation

In recent state legislation there are some hopeful signs of legislative recognition of the public service rendered by life insurance. This recognition is resulting in a willingness on the part of the various governments to lend their sanction to the conservation and development of life insurance. In several states there have been decreases in estates and succession taxes in so far as they affect the proceeds of life insurance. While premium taxes are still unjustifiably heavy and are the frequent subject of suggested increases, there have been no serious increases in the past few years.

As we face the task of placing a second hundred billion of life insurance coverage with the American public, we who constitute the underwriting and administrative forces of the life insurance companies, will not linger to enjoy the prospect of past accomplishments. The realization of a goal which only a few years ago seemed a dream, is not so much a cause for satisfaction as a challenge for the future. Our success is but the expansion of our opportunity for further service.

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Cooperate With Lawyers, Plan

F. W. Ganse Urges Naming Special Committee to Extend Field of Estate Protection

REPORT ON TRUST WORK

Now Regular, Normal Branch of Life Underwriting—Progress Made in that Respect is Reviewed

An extension of the work of life underwriters in the field of estate protection through the appointment of a committee to cooperate with lawyers, as is now being done with the trust officers, was recommended in the report of the committee on cooperation with trust officers, submitted by Franklin W. Ganse, chairman. In reporting on the progress made thus far in that field the committee said:

"This committee has tried each year to work on at least one important matter, in closest possible cooperation with the American Bankers Association committee on life insurance trusts, with whom our relations have always been very harmonious. This year we have specialized in efforts to increase local cooperation between our associations and local fiduciary associations. In many localities, of which Philadelphia, Chicago, Boston and Oklahoma are examples, fine progress has been made and good foundations laid.

"It seems to us that the setting up of good local committees can be made to solve misunderstandings and increase business. Our committee will be glad to be of service by helping to solve the problems which will arise from time to time, because some trust officers, like some life underwriters, fail to appreciate all that is involved in the best type of cooperation. We shall also welcome suggestions as to the best lines of future progress.

Now Regular Branch of Life Underwriting

"As the program of this convention proceeds, I think that you will perceive that life insurance trusts have become, like some of the other new developments of the post-war period, a regular, normal branch of life underwriting. Involving as it does constant relations and dealings with powerful outside organizations, let us all realize that continued success calls for friendly work of the best sort, so that our friends among the trust officers may be glad to work with us individually as well as through our national and local organizations.

"During the convention let us make the most of the exhibits and the counsel of the trust companies, which will be represented here in good force in spite of the fact that the convention of their own association meets in San Francisco next Monday, so that many of our friends among the leading trust officers are already traveling west.

"I should like to see the time come when some of our companies or agencies would make an adequate exhibit at the midwinter conference of the trust company division of the American Bankers Association. In the meanwhile a growing attendance at that great conference, which meets in New York in February, is to be desired on the part of our interested members, especially the chairmen of local committees on cooperation with trust officers. It was most interest-

American College Officials



ERNEST J. CLARK, Baltimore
President American College of Life Underwriters



GUY MAC LAUGHLIN, Houston
Vice-president American College of Life Underwriters

ing to realize how important a part life insurance played there last February, culminating in the 'Brains v. Bricks' paragraphs in Julius Barnes' banquet address.

"Our committee would like to list all cities where actual cooperation between two local committees already exists. We have found it difficult to compile anything like a satisfactory list of local committees on cooperation with trust officers. It is important that this committee be used much more freely as a clearing house and we urge that all of our local committees and all of our associations interested in creating committees communicate with us freely and especially report the progress being made in their locality.

"One of the most fruitful achievements of the past year has been the establishment at numerous points of joint classes for the education of life underwriters and trust officers in their mutual problems. The committee will be glad to hear direct as to further developments of this sort and it strongly recommends such work as a fine joint project for local underwriters and fiduciary committees.

"Indications point to a stronger and stronger development in the immediate future of the business life insurance trust. We also have a fifth life insurance trust very recently developed, being that 'with investment counsel.' Several trusts have recently been established in Boston, and I suppose in other cities, where the trustee, having funds to invest, is instructed to consult or take the advice of selected investment counsel. Some literature on this point is available for those who would care to look into the matter.

"I think we should consider the appointment in the near future of a committee to cooperate with lawyers as we are doing with trust officers and another to work out the interests of life underwriters in connection with the broad and growing field of estate protection."

Burruss Makes Big Hit

William B. Burruss was one of the "hits" at the Wednesday session with his famous talk on "Shakespeare, the Salesman." This talk was not printed in The National Underwriter, as it is the same he has given at hundreds of meetings throughout the country—but it proved none the less popular, rather

sweeping the convention. Wearied and warm, from a long day spent in the convention hall, the audience was revived by this ninth evening speaker and adjourned even fresher than at the start.

Ecker Favors Conservatism

(Continued from page 4)

named in the contract. So far as possible the element of chance should be eliminated and the funds should not be subject to the hazard of speculation. In other words, there is a place for the employment of the accumulations of life insurance companies in the sound economies of our business affairs, the importance of which cannot be overestimated. Until the world is ready to conduct business without credit, funds of this character are a necessity, and the withdrawal of the life insurance companies from the present field of investment would be bound to have a disastrous effect on existing prosperity. In view of the increasing magnitude of such funds, even now approximating the government debt and being much more than doubled every decade, this becomes a factor of importance second only to the factor of safety in making such investments.

Law of Supply and Demand Must Operate

The natural law of supply and demand should be allowed freely to operate in directing the use of these funds. Money will always find its way into appropriate enterprises having regard to their importance to the public interest and to the localities where most needed in the development of the natural resources of the country rather than in the older communities which are lenders and not borrowers. Only one state in the union has essayed a compulsory investment act and, in consequence, its citizens for years paid the penalty of a larger interest rate than their neighbors.

Will Respect Sacred Nature of Their Trust

The trend of life insurance investments in the era of the second hundred billion will, I think, be in the direction of choosing securities that are best adapted to the requirements of the business from the standpoint of safety, interest return and maturity. Considera-

tion of the sacred nature of the trust cannot be over-emphasized. That nothing shall impair the integrity and absolute reliability of the contracts is imperative, and the public confidence, now so fully enjoyed, must never be shaken. Nothing in the nature of an undue risk or of speculation should be tolerated. Our executives will continue to be mindful of these considerations and there will be a constantly growing recognition of the necessity for wise and constructive use of life insurance accumulations in the interest of the public as well as of the policyholder.

Trust Service Fully Analyzed

(Continued from page 5)

the wonderful story of what insurance can do for the estate builder and in language which the average man can understand.

4. From the mere fact that a larger proportion of the proceeds of life insurance have not been arranged for conservation and distribution by trust companies rather than being under lump sum or settlement options, it does not follow that a larger proportion of the insurance now in force or to be written in the future will be put under trust agreements, even if we are to have more active cooperation between insurance and trust management during the second era.

Public Will Determine Results to Be Attained

5. Trust companies as a whole and individual fiduciaries in particular must realize that in the final analysis the public which it desires to serve will determine the degree to which proceeds of life insurance and general estates are to be administered through trust service in the future.

6. If the trust companies, with the full cooperation of the insurance home office and field force, put themselves in a position to convince the public which owns the present hundred billion through modern sales and educational methods expressed in everyday language that they are sincerely interested to assist the owners of the first hundred billion to organize their program of estate creation and conservation, the public will respond to the trust company desiring to play a larger part with respect to the second hundred billion.

Program of Education Would Extend Service

7. A program of education on the part of life insurance companies urging the desirability of utilizing the services of a corporate fiduciary for the effective management and distribution of the proceeds of life insurance and general estates should enable the insurance trust to be of unlimited service; likewise, an intensive program of education by trust companies covering the advantages to be gained from the owning of a sufficient amount of life insurance for family and business purposes should enable the life insurance company to secure the second hundred billion with much less resistance.

Average American Has Become Estate-Conscious

8. The average American, in his desire to discharge his financial obligation to family and society, has become estate-conscious—conscious not only of the importance of having a definite program of estate creation, but of the desirability for thinking in terms of income rather than principal. If this were not true, the per capita general and insurance estate would not be increasing so rapidly. The average man on the street is coming to understand that it is twice as hard to keep money as it is to make it; that of all forms of property cash is the hardest to manage and the easiest to lose; that time plus

ability equals wealth; that time is a variable in the equation approaching a limit, and that only by utilizing the services of these institutions can be with certainty amortize the value of that time and conserve the proceeds of that value for the welfare of his family.

Show How Man Can Be Enabled to Die at Par

9. The insurance trust has no greater opportunity to play an important part during the era of the second hundred billion than by having insurance and trust advisers capable to successfully cope with the man to whom the element of time and ability has been so kind as to enable him to possess himself of property valued at figures running into the millions. They must be prepared to get the type of man, who today does not appreciate that life insurance has made tremendous strides and that trust administration has become a science as well as an art, to turn to these two institutions and ask them to show him the way to enable him to die at par—show the poor multi-millionaire seeking disinterested advice and professional counsel how to discharge all of his obligations to family and society by definitely guaranteeing and funding them.

Functions of Life Insurance, Trust Service

11. It is the principal function of life insurance to make estates by contract available, and to arrange for the conservation of such proceeds through settlement options with respect to such needs for income and principal as do not require the use of discretionary power.

12. It is the true function of the institution of trust service to manage, conserve and distribute effectively the proceeds of both insurance and general estates in all those cases in which, either because of the size of the estate or because of the fact of such needs of the beneficiaries as could not be anticipated, require that both principal and income be so distributed as to be timed to the needs of the beneficiaries as they arise in the future.

13. The trustee replaces the business managerial ability of the creator of the general estate in the same way that the life insurance company, in underwriting his economic value, replaces his earning power to his dependents.

Must Encourage Purchase of Life Insurance

14. If the trust company is to perform its obligation to the insured and trustor and his dependents, the trust company must of necessity encourage the trustor to purchase a proper amount of life insurance and conversely, if the insurance representative is to render maximum service to his client, he should find it both desirable and profitable to give expert disinterested advice regarding the importance of properly coordinating the general with the insurance estate.

15. The estate builder, who in the past may have suspected some conflict of interest between trust service and insurance service, is rapidly coming to appreciate that these two forms of financial service, instead of being competitors for his dollar, are cooperators in his interest. As the result of the pooling of their interests and the joining of facilities for service for the conservation of human values and property values both are dedicated to the laudable task of banishing poverty from this country during the era of the second hundred billion.

16. If the trust company wants the cooperation of the underwriter and his company in the procuring of insurance trusts, wills and testamentary trusts and their accompanying by-products, it must set up efficient facilities for service

and cooperation with the underwriter. These should include complete facilities for estate analysis and recommendations, a well trained field force of trust advisers, as expert in the science and art of trust administration as the underwriter who introduced him to his prospect is expert in the science and art of life underwriting. All representatives of the trust department who have contact with the underwriter's client must know the psychology of the underwriter, appreciate his point of view, be mindful of his problems, leave nothing within reason undone to assist the underwriter to write more insurance when the need is indicated. No trust company or trust representative should countenance or permit any underwriter desiring to sell insurance to bring insurance trust business to his trust company by utilizing the prestige and the disinterested and judicial position of the trust company to permit a prospective insured and trustor to set up an insurance trust arrangement based upon savings in taxes or the surrender of life insurance, if there is any question about the validity of the tax savings or the superiority of an insurance estate over any other form of property.

Home Office Should Pass on Information to Field Force

17. Home office management should pass on to its field force more information and instruction pertaining to the advantages of the option of settlement and at the same time pass on to the field force the limitations of the option of settlement as applicable to situations requiring the use of greater discretionary power than the contractual relation of the settlement options enables the insurance company to exercise.

18. The general agent should be certain that his representative has successfully passed over the earlier hurdles of the business before permitting an inexperienced solicitor to run amuck, and as a result of misdirection and dissipation of time allow him to chase rainbows, the result of which may be that the responsibility of his breaking down and quitting the business may be charged to the trust company. The real underwriter, to a greater extent than anyone else, will decide the exact part which the insurance trust shall play. He will be the principal source of contact. Since the water can not rise above its source, if additional insurance is to be written and on a better basis during the second era he must be willing to pay the price and be able to pay it if he desires the larger financial and personal return which will be his if he makes intelligent, practical and effective use of the insurance trust in writing his share of the second hundred billion.

Field for Insurance Trust Is Unlimited

That the field to be cultivated by the insurance trust is unlimited practically all of the executives of life and trust companies agree. Only 15 per cent of the hundred billion now in force is under settlement options; about 85 per cent of the hundred billion now in force which will be paid out by insurance companies during this year will be paid in lump sum; only two billion of the one hundred billion in force, or 2 per cent, is arranged for management and distribution under insurance trust agreements. That does not mean that any large part of the remaining eighty-three billions will be either lost or dissipated. If the greater part of it does not last longer than several years after it is received from the insurance company, it will not be because the American mother is not conscientious, thrifty and provident, but because her husband was underinsured.

Finally, in my questionnaire to the executives who have cooperated with me in preparing this paper, I asked for an expression of opinion as to at least a few of the outstanding weaknesses or

defects in the present methods used in the cooperative movement between life insurance companies and trust companies. It appears that insurance company executives are of this opinion:

That some life underwriters are not qualified to initiate and conclude life insurance trusts; some trust officers do not appreciate the life underwriter's point of view; and in some cases provisions in the trust agreement are not in conformity with similar provisions in the insurance policies.

The officers of the trust companies have this to say about the outstanding weaknesses or defects in the present methods used in the cooperative movement: Changing beneficiaries is a serious problem for trust companies; too much attention is given to tax features and not enough to other more important considerations; there is not enough frank recognition that the trust company field and the insurance company field each have definite limits; some underwriters have the opinion that trust companies have an enormous amount of business which they can direct to the insurance underwriters; some trust companies do not use their full influence in recommending life insurance when additional life insurance is needed.

Conclusions As to Part Trust Company Should Play

In closing I shall endeavor to give you a summary of some of the conclusions reached as to the part which the trust company should play in the era of the second hundred billion:

1. The trust company should be an important factor in convincing the estate owner of the value of life insurance as good property to own.

2. The trust company can help make the public conscious of the great value of life insurance as one essential element in any investment program requiring diversification.

3. The trust company can assist to a very large extent in making the estate owner realize that, as a margin of safety, life insurance can well be used to assure the family a certain estate and income even if the estate owner is not successful in his speculative business investment program because of poor judgment, disability or death.

Can Emphasize Status of Trained Life Underwriter

4. The trust company by its recommendation of and confidence in the advanced life underwriter can make the public realize the status of the trained, experienced and professional life underwriter as an important and necessary financial advisor.

5. The trust company can give the estate owner a picture of the plan which will be in operation after the death of the estate owner through estate analysis, service, insurance trusts, voluntary trusts and trusts under wills.

6. The trust company can make the prospective beneficiaries appreciate the value of life insurance as a necessary element demanding an important place when the family budget is being decided upon.

7. In this connection the trust company should be a very important factor in the great problem of selling women on the value of life insurance to the family.

Help Increase Percentage Devoted to Insurance

8. The trust company can actually help increase the percentage of the family income devoted to life insurance premiums in the future.

9. The trust company, with the cooperation of the life underwriter, can teach every estate owner the necessity and desirability of making a proper will and keeping it up to date.

10. The trust company can sell the idea of providing for financial management of all property in the estate, including the life insurance.

11. The trust company has an opportunity even greater than that presented

Urges Cooperation



FRANKLIN W. GANSE, Boston
Chairman Trust Cooperation Committee

to life insurance companies in the past of popularizing the options of settlement so that their real significance will be better understood by a much larger number of policyholders.

12. It should be apparent that trust companies can easily influence business men to see the necessity of business insurance, whether it be "key" man insurance or insurance for the liquidation or sale of interests in a business.

Weld Together Two Classes of Financial Advisers

13. The underwriters-trust company cooperative movement should succeed in welding together the two greatest classes of financial advisers in their common task of advocating the creation, administration, conservation and distribution of estates passed to inexperienced beneficiaries.

14. These two classes of financial advisers when cooperating can change the entire complexion of the public's attitude toward each of them.

15. These two great institutions can help each other to keep up with the march of progress in investments and in financial service to beneficiaries.

16. If these two great allies develop some wholesome competition along with the cooperation, such competition can only be for the ultimate benefit of both institutions and the beneficiaries of life insurance and trust service.

17. Finally, it should be apparent that all these objectives for the solution of problems which now retard the development of family life and business life cannot be easily accomplished by the institution of life insurance alone or by the institution of trust service alone but only by active cooperation, wholesome competition, sincere endorsements of each by the other, truthful advertising and publicity and well-planned coordination of activities.

New York Has Huge Representation

William C. Bawden, executive secretary of the New York Association of Life Underwriters, arrived in Washington Tuesday evening, at the head of a delegation of 90 New Yorkers, one of the largest groups to come from out of town to any convention of the association. This did not include the press delegation from New York, nor several home office men and independent underwriters who did not register with the local association, so that in the aggregate New York has a huge representation in Washington.

Educational Survey Made

The report of the committee on education was presented at the executive committee meeting by Miss B. B. Macfarlane of New Orleans, chairman. She said:

"Your committee on education has been at work this year on a survey of the activities and inactivities of the local associations, and have received detailed information from 173, or 82 per cent of the 210 local associations which were organized up to about Jan. 1, so we feel that the results of this survey pretty accurately bespeak the aims, ambitions and needs of all.

Majority Now Have Educational Committee

"Of the 173 reporting, 58 had a committee on education and 95 signified their intention of appointing such a committee, making 153 of the 210 local associations which will probably have a committee on education actively at work this fall, and the National association will endeavor to render these committees all possible assistance to make their work efficient and of material benefit to their respective associations. I would strongly urge the chairmen of these committees to communicate direct with national headquarters at any time they feel the need of this advice and suggestions.

Interest Shown in American College

"With reference to the American College of Life Underwriters, of the 173 associations reporting, 74 are interested and are encouraging their members to prepare for the degree. Ninety-nine associations are not active or else overlooked replying to this particular question. Many of these associations do not seem to be at all familiar with the American College of Life Underwriters and are anxious to receive information. I would like to see all of these associations supplied with full information as soon as possible. All of the local associations should have full detailed information in regard to the C. L. U. degree—the requirements for qualification—books that will give this information, and also sets of the questions and answers for the examinations already held. It would seem that literature calling attention to the place which the C. L. U. graduates will occupy in the underwriting field in the next few years would also be desirable and useful.

Mississippi Association Holding Weekly Classes

"The Mississippi Association of Life Underwriters at Jackson is holding weekly classes for members to enable them to complete a course preparatory to taking examinations for the C. L. U. degree. Mr. Babbitt, actuary of the Lamar Life, and several of the local agency managers are the instructors—six or eight of the members are seriously interested in qualifying for the C. L. U. degree. The class is open to all members of the association and the course is being conducted without any cost whatever to the association or its members.

"Of the number of associations reporting 149, or 85 per cent, ask for help from the National association in formulating their programs and planning interesting meetings and it would seem that this subject could well be one of the major activities of the National association for the coming year.

"The big problem of the local association is undoubtedly preparing interesting programs and obtaining capable speakers month after month, and as the National association is anxious to do

everything possible to aid the local, I feel confident that every effort will be made to place at this disposal and within the reach of every local association such material and assistance as they may require to help them make their meetings more interesting, especially along the lines of education, and I believe that your committee can safely promise the local associations that programs will be prepared very soon and will be given to them for the asking and that the formation of a speaker's bureau is also in contemplation.

Suggestions for Making Meetings Interesting

"The following are offered simply as suggestions to help in making some of the meetings interesting:

"Quite frequently, interesting programs on the subject of life insurance, in general, are broadcast by the various companies and a supper meeting might be planned for such an occasion to enable the members to listen in, and would prove entertaining, interesting, instructive and profitable.

"The committee on education might adopt as one of its duties a careful review of the "News" each month, bringing it up at the monthly meetings of the underwriters for discussion. The section devoted to the activities of other associations is very interesting, and many splendid ideas and suggestions may be gotten from this source.

Monthly Letter From National Body Suggested

"A monthly letter from the National association to the chairman of the committee on education of the local association calling attention to current topics of general interest and information, also the names of prominent life insurance folk who may be traveling through the territory, and who would be willing to address the local associations en route, giving the dates they would be in various cities so that regular or special meetings could be arranged to give the local association the benefit of this contact; in other words, link up the National and the local in such a way as to arouse a greater degree of interest in the local association with reference to the National, and also to keep the members coming back meeting after meeting—as regular attendants."

How Local Associations Answered Questionnaire

Relative to agency meetings held weekly by the various general agencies; 121 report in the affirmative, 32 in the negative, 20 did not reply.

If the local association has a committee on education; 58 in the affirmative, 108 in the negative, seven did not reply.

Asked whether such a committee would be helpful; 83 in the affirmative, eight in the negative, 15 did not reply.

If they would consider the appointment of such a committee; 95 in the affirmative, five in the negative, eight did not reply.

Whether there is a life insurance section in their public library; 91 in the affirmative, 69 in the negative, 13 did not reply.

Is the subject of life insurance taught in the high schools; 37 in the affirmative, 123 in the negative, 13 did not reply.

Calls for speakers from civic, luncheon or women's clubs; 60 in the affirmative, 102 in the negative, 10 did not reply.

If local association is co-operating with women's clubs; 37 in the affirmative, 127 in the negative, nine did not reply.

Attitude of local association to American College of Life Underwriters; nine

Some interesting suggestions were offered by individual members of the committee on education as to possible methods of education, as follows:

Guy MacLaughlin, Houston, Tex.—The problem of education of the underwriter in a serious and comprehensive and complete way has been taken care of by and through the American College of Life Underwriters and the degree of Chartered Life Underwriter, which degree is available to all who are able to furnish the necessary educational prerequisites and stand the examination. In some rather advanced associations study groups are being organized to undertake the course and prepare members for examination.

The difficulty of our committee, as I see it, is that presented by the divergence in the organizational status of the various associations, some having achieved a high state of organization for the handling of their local problems, and valuable educational cooperation with their allied interests, the trust companies, while some are in a nebulous and somewhat doubtful state of organization. The education of the average underwriter to the value of association affiliation and cooperation is our first problem. It is obvious, therefore, that an association in need of this primary idea of affiliation value would not see the value of any consecutive program; if, indeed such a program could be superimposed on so flimsy a foundation.

Series of Gradings Might Be Arranged

Let National association headquarters classify the member associations of the country with regard to their organizational status, perhaps arranging a series of gradings based on ascertainable factors. The local association could be asked to classify itself in accordance with these factors, some of which might be: (a) Membership, active members compared to the actual number of bona fide agents in the territory of the association; (b) participation or cooperation with problems of the National association, such as activity of any members of the association in question in national affairs; (c) affiliation and cooperation with other local forces, trust companies, for example, and educational affairs or efforts in connection therewith; (d) other factors easily ascertainable after a little study of the problem at headquarters.

What Accomplish Definite Results

This would accomplish certain things, I believe: Bring about a consciousness on the part of the local association as to its organizational status, and thus phrase its problem and lead to incentive for improvement as well as bring about friendly rivalry among local association membership, motivating them to bring up the grade of their local association through the application of the principle of local pride.

The grade of local associations will be of interest to many forces and may have a bearing on the quality of business written in a given field—if we can do this thing in a proper and effective way.

A. C. Larson, Madison, Wis.—I believe that the National association could

doing all possible to help, 65 encouraging its members, 80 report no activity, 19 did not reply.

How many members preparing for C. L. U. degree; 67 associations report 402 members, 91 report none preparing, 15 did not reply.

Can National association assist local by preparing suggested programs; 149 replied in the affirmative, 15 in the negative, nine did not reply.

Would Classify Associations

plan a program that would cover from nine to ten months of the year and submit it to the local associations. I mention nine to ten months because some only continue for nine to ten months and there are some that continue for the year, whichever is best. The National association can view the field from its entirety and know the various lines of activity that should be emphasized for the greatest good to the greatest number. There would be a greater inspiration and uplift from a program of that kind that would be very far reaching and beneficial. Then too, it would quicken the enthusiasm of the local associations. I think one of the greatest problems the local association has is to plan an effective program. I believe it would be the answer to a great many ills and iron out a lot of wrinkles and it would standardize the subjects for discussion and tone up and elevate a great many associations.

C. Vivian Anderson, Cincinnati, O.—I have felt all along that the programs for the local associations should be along constructive lines, carrying out a definite idea through the year, and now that the C. L. U. degree is commanding more widespread interest I believe that discussion of the subjects which will be covered in the examinations should be taken up from time to time, in order to help stimulate interest in the examinations and to furnish a background for interesting programs.

H. P. Gravengaard, Columbus, O.—My thought along this line is not only based upon my experience while in the sales training department of our home office, but also on a school which we held in Columbus last fall for the members of the associations in central Ohio.

This school lasted for one week, classes being held every forenoon beginning at 9 o'clock. The first class every morning from 9 to 9:50 was devoted to a very careful study of the functions of life insurance. The second hour from 10 to 10:50 was devoted to selling methods. The third hour from 11 to 11:50 was devoted to a very careful study of the contracts, and the fourth hour from 12 to 12:50 was devoted to a study of fundamentals and the analysis of cases. We devoted one hour to study of fundamentals and principles and the other five hours during the week were given over to a study of cases; that is, we analyzed the needs of a theoretical prospect and worked out a program to cover these needs and the prospect's capacity to pay. This brief school is the result of several years of study of this problem and I believe that I now have been able to work out a plan that will bring results. We started with 95 members enrolled and finished with 135, which shows what the life underwriters of central Ohio think of this course.

George H. Tracy, Boston, Mass.—What we need most in Boston, as I see it, is some kind of a constructive course or syllabus that can be used for our educational work. There are, of course, a great many courses but so far as I know there has never been prepared a general course in life insurance and life insurance salesmanship, practicable and teachable, that meets the needs of the ordinary agent.

I think one of the committees of the association a year or so ago suggested a list of subjects to be taught, but I am referring to a practicable syllabus that not only gives such a list of subjects but that prescribes in more or less detailed form the actual subject matter to be discussed. Possibly such a syllabus is out of the question but it would be helpful here in Boston.

I should like to see also a definitely organized course with syllabi, book ref-

ferences, etc., which would prepare for the Chartered Life Underwriter degree. We ought to be in a position to render this service to the local associations if we are going to foster this movement. It seems to me this is practical work for the national committee and that, if we had such a course, the various associations that wished to do so, under the leadership of some of their own members, could establish these courses and more agents would be led to participate in the educational work of the associations.

W. W. Winne, Denver.—I have an abiding conviction that there is a need for better educational work in all associations. Some of the associations are fairly facing their problems and are making some progress. Most of the associations with which I am acquainted have little or no educational program and are in need of definite guidance, of this I am convinced. Concerning the next move, I am a bit hazy.

Charles L. Scott, Kansas City, Mo.—One of the main problems confronting local associations is to obtain speakers who are capable of delivering a message along the lines of practical life insurance salesmanship. I know the executives of the National association have had a dream of a speaker's bureau in the past, but nothing has been definitely accomplished. It strikes me that if some attention is paid to this, definite dates can be arranged for programs for three or four months in advance by the various local associations. Kansas City has had some very fine addresses during the past year and our attendance has been materially increased.

Edward J. Sisley, New York City.—In New York, we have been going through a period of change in connection with the New York University training course, which condition is still very much upset. The past winter we have conducted, in addition to the regular training course, a series of educational talks by leading underwriters on current subjects such as "Co-operation of Trust Companies with Life Underwriters" and the usual topics of interest to insurance men. I am very enthusiastic to see that each local association conducts a series of talks along these lines, as the underwriter is looking for education and naturally values his association the more if he gets it through this source.

"Setting-Up" Aids Health Conservation, Bagley Says

Following the invocation by Dr. Abram Simon, rabbi of the Washington Hebrew Congregation, the Thursday session was opened by the world famous Arthur E. Bagley, national health broadcaster of the Metropolitan Life. Mr. Bagley, known to a 12,000,000 audience for his daily setting-up exercises, told of the great health conservation work accomplished through this daily broadcasting and showed its importance to life insurance. He said it developed a friendly attitude towards life insurance, health and good living in general. The extent of its influence is evident from the fact that the Metropolitan has on file about 800,000 letters received from listeners throughout the world—and the National Broadcasting Company usually estimates a letter return of only 4.2 percent of the total audience listening in. Its tie-up with health conservation is also shown in the relation to sickness waves, the greatest flood of inquiries always being received in the peak sickness months, notably March.

New England Mutual Life agents were present in Washington in sizeable numbers, the group holding a company conference of its own Wednesday evening at the close of the lecture on Washington.

Greetings From Other Organizations

(Continued from page 2)

into a dynamic and effective force is the particular function of this organization. After all, life insurance must be sold by men, men who put something of themselves into their service.

No company has a patent process or a deep mysterious method or any copyright or trade mark or any secret process of any kind. A company is just a collection of men and it is just as effective as its man power. This organization is helping to weld into a dynamic force this man power and while your method is salesmanship, your purpose is idealistic and your ultimate goal is service. Therefore, in this high order of public service which you perform, any organization which inspires its members to bring not only consecration to the cause but training to the task, is adding and contributing much to the current of life in this country, the stability of our society, and the perpetuity of our institutions.

Evidence of Loyal Cooperation Is Seen

It has been a great pleasure for me, in my official capacity, to have the pleasant relationships which have existed between our organizations. I have learned to value the sterling qualities of that fine, constructive, indomitable soldier of life insurance who serves your organization in the person of Roger Hull. I congratulate you upon having such a servant. I have learned something of his idealism and something of his effectiveness in our short period of cooperation together.

It has been a great pleasure to cooperate with the presidents of your organization during the administrations of Julian Myrick, Frank Jones and Paul Clark. It has been a constant delight and a continuous joy. This is something of a sentimental occasion to me. My first appearance in public after becoming secretary of the American Life Convention was at your Atlantic City convention. My last public appearance before laying down the reins of the organization at Cincinnati next month is here.

LIFE INSURANCE SALES RESEARCH BUREAU

By JAMES A. FULTON, Chairman

When I went into the life insurance business, we used to hear a great deal about competition—competition between individuals, competition between companies. We don't hear so much about that any longer. But there is the new competition that we hear about, the competition between industry.

There never was a time when the American dollar was being chased so vigorously. If American life insurance is going to continue to get its fair share of that American dollar, it must have sales methods as it has had, not only as good as the best but better than the best. That is not an individual problem nor a company problem. For that reason, one hundred and twelve companies in the United States and Canada are maintaining an organization known as the Life Insurance Sales Research Bureau at Hartford, where a staff of 35 people, experts in their lines, under the able direction of Mr. John Marshall Holcomb, Jr., are constantly studying the sales problems of American life insurance, bringing their findings back to the companies and to the individual agencies.

As the chairman of the executive committee, which directs the affairs of that organization, on behalf of the companies, I am delighted to bring their cordial greetings and the assurance of the co-

operation through that organization in the solution of our common problems.

LIFE UNDERWRITERS ASSOCIATION OF CANADA

By E. V. CHOWN, Secretary

I have the pleasure of bringing greetings to you from the Life Insurance Underwriters of Canada. I hope that in 1930 we will get to know you better, because if I were going to make a speech it would be something about international friendship and the development of internationalism, not in the political round but in the business round, particularly in our great life insurance business.

Your executive committee has accepted the invitation, as I understand it, of the Life Underwriters' Association of Canada, to meet in Toronto in 1930 for a real international convention. We are very proud of that fact. I am not here to make any promises about that convention. If you want to know about how we put on conventions up there, however, ask your insurance commissioner how he enjoyed the last convention, held up there last week, because I think for the first time in history they had 41 states represented at that convention. Therefore, I assure you that if, in proportion, the life underwriters of America come to Toronto, as they did to the insurance commissioners' convention, the city will be very full on that occasion.

I hope that every one of you will be there, and I assure you, out of the deepness of good Canadian wholesome hearts, we will do our utmost to extend to you some true northern hospitality.

NATIONAL CONVENTION OF INSURANCE COMMISSIONERS

By J. G. M'QUARRIE
Utah Commissioner

I certainly consider it a very distinct honor to be invited to this great convention, and inasmuch as my official duties took me at least as far as Toronto, I took advantage of the opportunity to come to take part, or to be present at least, at the convention of the life underwriters, because I feel, as a public officer, that I am not just a traffic manager and there to watch a lot of questionable operators and to collect taxes, but rather to promote and facilitate what I consider to be the greatest business in the world. And if I am going to do that and do it effectively and properly, I must of necessity become familiar with your problems.

Therefore, in taking office a little over four years ago, I determined to use what travel expense they gave me to visit at least one convention of underwriters each year and probably one convention of insurance companies. As I came up through the agency field and was a rate book agent myself, I certainly ought to understand and appreciate your viewpoint as I believe that most of the insurance commissioners have been selected from the field of agency writers rather than from company men, and I believe if you desire to cooperate that you will find most of us are very friendly and anxious to help out in the great cause.

UNITED STATES CHAMBER OF COMMERCE

By TERRENCE F. CUNNEEN
Manager Insurance Department

It is a pleasure and privilege to extend to the members of this association the greetings of the insurance department of the Chamber of Commerce of the United States, of which your organization is a valued and very enthusiastic member. Last year I referred to a possible bulletin on twistings. Mr. Meyers,

who is president of our association, at that time suggested that we issue a bulletin dealing with the evils of twisting of life insurance policies. That bulletin was prepared, and during the year was issued to the 1,200 chambers of commerce and 500 trade associations of the membership of the National Chamber, with an underlying membership of 900,000. We had requests for over 400,000 copies of the bulletin. The bulletin, in addition, was printed in numerous insurance periodicals and reprinted by companies' agency organizations and so forth.

Keen Interest in Conservation Contest

I desire to take this occasion to call your attention to an activity recently inaugurated by the insurance department. Due to the success of the Inter-chamber Fire Waste Contest, we have announced a similar contest in the field of public health. Probably nothing is more important to the welfare and prosperity of the nation than the good health of its citizens. You have heard it stated that the loss due to premature death and preventable illness amounts to a total of \$6,000,000,000 annually. These financial losses are secondary to the humanitarian aspect of the health work.

Although the Interchamber Health Conservation Contest, conducted by the insurance department, was only announced less than three months ago, 53 communities throughout the country, distributed over 24 states and the District of Columbia, have entered this contest. The National Chamber, in this contest, has the cooperation of your association, the American Public Health Association, and the United States Public Health Service.

Health Conservation of Mutual Interest

The American Public Health Association is rendering expert assistance to the community, entering the contest in the solution of their local health problems. The energies of the insurance department of the National Chamber will be given wholeheartedly to the development of this contest, and it is hoped that it will meet with the same degree of acceptance as the first contest, in which 650 communities throughout the country entered. It is proposed to grade communities on the accomplishment for the protection of the milk and water supplies, protection against communicable diseases, school health service, and so forth.

Knowing the great interest of your members in health conservation, we ask all of you to cooperate in every possible way in your own communities by urging your home chambers of commerce to participate in the contest, and by cooperating with your local committee to win one of the awards to be presented.

Guy MacLaughlin of Houston, Texas, vice-president of the American College of Life Underwriters and one of the pioneers in urging the establishment of such an institution, has been spending a number of weeks in New York. Being a former newspaper man, he has been furnishing one of the Houston dailies with a column containing reviews of the current theatrical productions and general comment on affairs in the eastern metropolis as a Texan sees them.

Henry J. Powell, former president of the national association, and for many years past chairman of its committee on laws and legislation, has been on a trip abroad, but timed his return so as to give him ample opportunity to attend the convention of the national association and that of the Southern Century Club of the Equitable Life of New York, for which he is general agent in Louisville.

More Than \$80,000,000.00 Life In 9 Years

Re-organized to include Life Insurance in 1920, it is gratifying to announce that we have now passed the \$80,000,000.00 mark of Life Insurance in force. Of this \$80,000,000.00—nearly \$15,000,000.00 has been added during the first seven months of 1929.

B. M. A. salesmen are enthusiastic over their ability to provide for their clients' complete coverage—(Life—Accident—Health)—assuring them a life time income in event of disability caused by sickness or accident—an estate in event of natural or accidental death. The B. M. A. "All-Ways" policy provides complete protection—

"It Pays All-Ways and Always"

Business Men's Assurance Company

Kansas City, Missouri

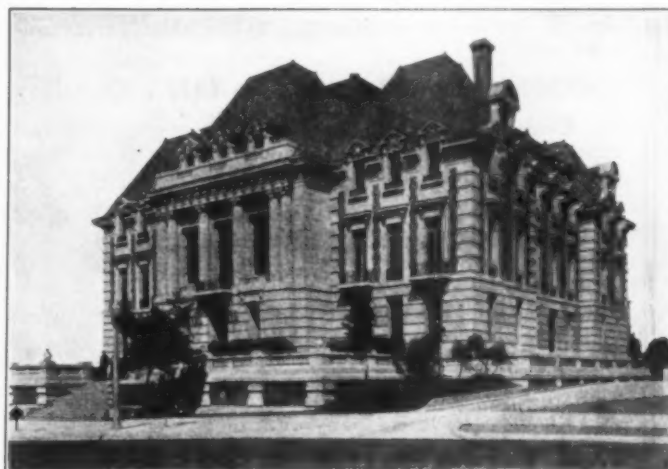
W. T. GRANT, President



"Symbol of Complete Protection"

**More Than \$19,000,000.00 Paid Policyholders and
Beneficiaries Since Organization**

GROW *with this* Progressive Company



New Home Office Building

We Offer

- Policies all ages, 1 day to 70 years.
- Both Participating and Non-Participating.
- Non-Medical—Sub-standard.
- Disability, Dismemberment and Surgical Benefits.
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- Children's Policies with Beneficiary Insurance.
- Sales Planning and Circularizing Department.
- Producers' Club.

Available territory in seventeen
states West of the Mississippi
River and in Illinois and Florida.

WRITE DIRECT TO HOME OFFICE

Central States Life Insurance Company

James A. McVoy, President

HOME OFFICE: SAINT LOUIS

A True Index of Progress

There Is Only One true index of progress in any life insurance company and that is the amount of new insurance written and paid for each year.

During 1928 we increased our Life Insurance in force from \$100,000,000.00 to more than \$135,000,000.00, a gain of more than \$35,000,000.00 for the year.

So Far During 1929 our new life business is continuing to increase at such a rate as to make our attainment of

\$200,000,000.00 of Insurance in 1930 a Certainty

As Evidence of Our Growth and progress in our Home State we submit the following record of new paid for business in Illinois

1926	\$12,909,001.00
1927	16,112,974.00
1928	31,478,005.00

The Total for 1928 is greater by

\$13,000,000.00

than the new life insurance written in Illinois by any other legal reserve company of Illinois.

The Federal Life is the oldest and largest **Illinois company originally chartered** and ever since continuously operated by **its Founders** as a **legal reserve life insurance company**.

This Interesting Fact is not mentioned to reflect upon the Illinois companies which started as assessment companies, stipulated premium companies or under a charter from some other State or law-making body and afterwards reincorporated under the excellent legal reserve laws of Illinois but to emphasize the wisdom of the founders and managers of a company that from organization has sold as good insurance as it was possible to buy in any company regardless of size or age.

Federal Life Representatives are fortunate and prosperous under a management of such far-seeing vision.

The Federal Life has two departments—one **Life Insurance** the other **Accident and Health Insurance**—with unexcelled policies.

We Offer all popular forms of Accident and Health Insurance including Monthly Premium Policies—an unexcelled Non-Cancellable Life Income Policy for Business and Professional Men. Also a new \$5,000 Non-Cancellable Automobile Accident Policy, easily sold in connections with Automobile Insurance.

If Detached or if having definitely decided to change connections it may profit you to address.

Agency Division

FEDERAL LIFE INSURANCE COMPANY

Isaac Miller Hamilton, *President*

Federal Life Building
CHICAGO

"Human Being Insurance"

THE FRANKLIN LIFE INSURANCE COMPANY

**The oldest existing life insurance company
originally chartered under the laws of Illi-
nois. Organized in 1884**



Home Office—Springfield, Illinois

Legal Reserve	Income Disability
Guaranteed Low Cost	Double Indemnity
Complete Life Line	Excess Interest
Sub-Standard Dept.	Liberal Commissions
Non-Medical Applications	
Good Territories	
Juvenile Policies	\$212,000,000 in Force

A thoroughly seasoned company operating throughout the Mississippi Valley—with a long record, a line of policies, and territorial opportunities of the most advantageous character to the fieldman who is disposed to build permanently and well for himself.



Every insurance man should have his personal copy of **The National Underwriter**

The life insurance edition keeps you informed regarding the latest news in life insurance. A staff of 125 correspondents and a brilliant editorial staff makes this possible.

For \$3 a year you receive fifty-two regular issues plus five special editions including the famous Life Payments number.

Don't delay—subscribe today
The National Underwriter
A-1946 Insurance Exchange
Chicago

ROYAL UNION LIFE INSURANCE COMPANY

DES MOINES, IOWA



Royal Union Life Building
Cor. Seventh and Grand Ave.,
Des Moines, Iowa

Has \$145,000,000.00 Insurance in Force.

It has paid to policyholders over \$28,000,000.00.

It is constructive and conservative.

It has an attractive and complete line of fast selling policies.

It is fair and considerate with its agents.

Its steady progress and aggressive methods have been constantly attracting the best type of insurance men.

ROYAL UNION LIFE INSURANCE COMPANY

DES MOINES, IOWA

A. C. TUCKER, President

SINCE



1871

The increasing popularity of the Annuity, in its various forms, most happily bespeaks a future of more widespread security and comfort for America's aged.

Our rates on this highly serviceable investment are exceptionally attractive.

THE LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

JOHN G. WALKER
Chairman of the Board

BRADFORD H. WALKER
President

At your finger tips - - -

All the information you need about life insurance companies, a thorough analysis of policy provisions, 20 year actual histories (net figures), ordinary life 20 year net premiums at every age. Also rates with and without disability and double indemnity, term rates, industrial rates, dividends on term and paid up policies, cash values and other useful data.

This valuable information is given in the Little Gem Life Chart (The Little "Red Book").

Bound in real leather— $\frac{1}{4}$ " thick—contains 720 pages printed on thin paper.

Write for prices.

The National Underwriter Co.

A-1946 Insurance Exchange
Chicago

WHY 54% INCREASE?

The Home Life Insurance Company initiated its present program of expansion and development of the quality idea in 1927. During the first seven months of this year some of the results have been, in comparison with the corresponding period in 1927—

Increase in new business 54%

Increase in amount of average sale 61%

87% of our total business was on policies of \$5,000 and over.

We should be glad indeed to furnish details of our entire program to any man who is interested in the business of Life Insurance and of life agency management as a career and is willing to embark on a thorough going period of training and development and during that period pay the necessary price in time and effort.

□ □

HOME LIFE INSURANCE COMPANY

NEW YORK

Ethelbert Ide Low,
President

James A. Fulton
Agency Vice President

One Hundred Leads Each Day

Each day an average of more than one hundred leads go out to the Fidelity field—good live leads on interested prospects. Millions of dollars of high grade business is being written directly from these leads.

Easier Selling

Fidelity lead service and Low Rate policies make selling easier. Fidelity operates in thirty-nine states, including New York, on a full level net premium basis with more than \$85,000,000 in assets and over \$400,000,000 insurance in force.

Desirable franchises open for the right men seeking a wider and more profitable field of action.

THE FIDELITY MUTUAL LIFE INSURANCE COMPANY PHILADELPHIA

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President Vice-President Secretary
SHEARN MOODY T. L. CROSS
Vice-President Vice-President

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HOME OFFICE:

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\$568,557,042.00 INSURANCE IN FORCE

We Have Openings for Live Men in

Kansas	Minnesota	Texas
Kentucky	North Carolina	West Virginia
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Under Direct Home Office Contracts

**ORDINARY—INDUSTRIAL
GROUP—HEALTH AND ACCIDENT**

Liberal First Year and Renewal Commissions
Up to Date Policies—Non Medical—Group and Special Low
Premium Plans Offering New and Attractive Features.

If Interested Address

AMERICAN NATIONAL INSURANCE CO.
GALVESTON, TEXAS

UNITED LIFE AGENTS ARE FORTUNATE

Both the scope and the liberality of the unusual benefits contained in our policy make it in truth—"A Policy You Can Sell."

This Policy is in a class by itself combining life and accident insurance in one contract.

Features of the United Policy \$5,000

All in *One Policy*

Any natural death.....	\$ 5,000
Any accidental death.....	10,000
Certain accidental deaths.....	15,000

Accident Benefits \$50 per WEEK for fifty-two weeks \$25 per WEEK thereafter (non-cancellable)
Disability Income, Waiver of Premiums, etc.

Also \$5,000 "Preferred Risk" Policy—high value—low premiums; age 35, \$19.91 per \$1,000. Endowment Age 85—Juveniles age 10 years and upward—Monthly Income—Non-medical. New men given thorough training.

Insures and assures your client's future and yours.

UNITED LIFE & ACCIDENT INSURANCE COMPANY

Concord, New Hampshire

Address all inquiries to EUGENE E. REED, Vice-President

Biloxi Bound!



At beautiful Biloxi, on the Gulf Coast of Mississippi, miles of bridle paths greet those who enjoy horseback riding. The shady paths, bordered with weaving palms, wind about among the live oaks, magnolias and shrubs, with no automobile traffic. What more could man want to furnish relaxation, exercise, or mental relief from long months of business pressure?

The trip to Biloxi in January will be a memorable and gala one for American Central fieldmen who distinguish themselves by attaining membership in the Company's Field Club—an organization composed exclusively of the American Central's best producers.



Just one of the many reasons why American Central representatives are happy and successful.



No. 7 of a Series

A True Story

One year after graduating from a large university a young man found himself out of work and, as occasionally happens at such times, quite financially embarrassed. He needed money at once, but had practically no security on which to base a loan. He did have, however, a Northwestern Mutual policy which he took to the agent who sold him the policy and asked for and received a considerable loan.

This incident proves that every policyholder needs and is entitled to a service which can be obtained only from personal negotiation with a competent and responsible agent.

Northwestern Mutual field representatives are thoroughly trained and equipped with complete information and data regarding life insurance. They can truly be called Insurance Counsellors.

All Northwestern Mutual agents know that life insurance is a service and that their obligation does not cease upon delivery of the policy. They are firm believers in the creed "that those who use life insurance ought to have the assistance and advice of an intelligent and responsible agent at the time of the sale and throughout the life of the policy, if maximum results from insurance are to be procured."

There is still plenty of opportunities in life insurance with sufficient remuneration for sincere, hard-working and unselfish agents.

**THE
NORTHWESTERN MUTUAL LIFE
INSURANCE COMPANY**
MILWAUKEE, WISCONSIN

A Growing Company in A Great City

The Chicago National Life, located in the great insurance center of Chicago and imbued with its spirit of progress has rapidly forged to the front in the world of insurance. Although a comparative newcomer as far as years of existence are concerned, yet nevertheless its aggressive tactics coupled with keen foresight have placed it among the leaders in its home state in written new business for the year.

This marked preference for Chicago National Life protection is amply justified by its splendid record of achievement. Of all the Illinois legal reserve companies the Chicago National Life; in the sixth year of its existence wrote *more new business in its home state than any other company!*

The Chicago National Life feels that such a distinction should be of inestimable benefit to agents. Profitable agency connections are now available in Illinois, Indiana, Iowa, Kentucky, Missouri, Kansas and Ohio.

Write to A. E. Johnson, General Manager, or A. F. Seelig, Agency Manager.

CHICAGO NATIONAL LIFE INSURANCE COMPANY

1400 W. Washington Blvd.
Chicago, Illinois

Intelligent Progression

The Mutual Benefit was organized in 1845, and for upwards of eighty years has been administered by a succession of directors and officers whose conduct of its affairs has merited and received the confidence and approval of hundreds of thousands of policyholders.

Not only has its history been marked by the fidelity, ability, and integrity of the officials who from time to time have been responsible for the Mutual Benefit's financial management, but the Mutual Benefit has also been distinguished throughout its history for intelligent progression in the provisions of its contracts which, with unbroken adherence to sound actuarial principles, have made the Mutual Benefit a leader in life insurance underwriting.

As improvements in contracts have been developed, liberalizing their provisions, the new benefits have been uniformly extended to earlier outstanding contracts, in so far as possible, thus securing to the earliest policyholder the benefits enjoyed by the latest.

THE MUTUAL BENEFIT LIFE INSURANCE COMPANY

NEWARK - - - - NEW JERSEY

The Accident and Health Review

"A monthly Paper for Accident and Health Insurance Men"

The Accident and Health Review is the only magazine published which exclusively covers the accident and health field.

Agents everywhere are receiving new ideas and suggestions each month which close that "hard" client.

You can't afford not to read a magazine covering *your* particular field!

Subscribe today!
\$2 a year.

Published by The National Underwriter Company

The Accident and Health Review

A-1946 Insurance Exchange
Chicago, Illinois

We offer high commission paying agency contracts in Illinois, Indiana, Ohio, and Missouri. High commissions mean little, however, if nullified by a hard-to-sell, incomplete line of policies or a high rejection rate. An examination of our policies—especially the NEW special low rate contracts now being issued—will reveal their worth. Recently the company retained an advertising agency which is providing MODERN sales helps in the form of attractively produced advertising literature, prospect letters, etc. A house organ that really helps the agent sell goes monthly to our representatives. The company has no away-out-in-front producers to hog its agency contests. Modern Juvenile insurance adds to the attractiveness of our proposition. We believe that there are many men to whom our company will appeal and it is in hope of your being one of them that this message has been inserted. If you care to obtain further information address E. J. Cotter, Supt. of Agents. Your communication will be treated in strictest confidence.

THE PEOPLES LIFE INSURANCE COMPANY, ILLINOIS.
CHICAGO, ILLINOIS.
Seymour Stedman, President.
G.L. Lutterloh, Secretary

Strong Features

Aid Union Mutual Producers:

- Square Dealings
- Liberal Policies
- Financial Stability

Inquire About Agency Opportunities:

UNION MUTUAL
Life Insurance Company

PORTLAND, MAINE

Founded 1848

FACTS

The growth and success of the Berkshire Life Insurance Company has resulted principally from the efforts and success of its loyal field force.

This company is ever mindful of the fact that the Agents' success is the Company's success.

The Home Office strives, at all times, to give complete cooperation and service to agents and policyholders.

"Ask Any Berkshire Agent"

BERKSHIRE LIFE INSURANCE CO.

Incorporated 1851
PITTSFIELD, MASS.

CONVENTIONS

are both a reward and a stimulus
to leading underwriters.

In appreciation of this fact ATLANTIC LIFE each year brings together its "Aces" for three days of pleasure and recreation.

In recent years our meetings have been held at the Essex and Sussex (1927), Chateau Frontenac (1928), and the Jefferson and the Cavalier (1929).

Our next convention will be held in September, 1930, at the Hotel Ambassador, Atlantic City. The requirements for qualification are reasonable and adjusted to assist men who come with us now.

Ask us how you can qualify as an Ace in 1930.



All that this Seal Implies

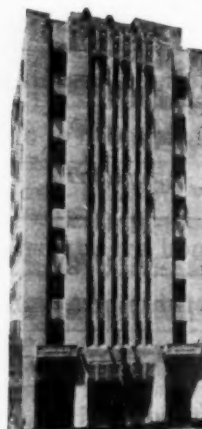
ATLANTIC LIFE INSURANCE CO.

Richmond, Virginia

Angus O. Swink, President

Wm. H. Harrison, Vice Pres. & Supt. of Agencies

California



Mountain States Life
Building

Climate enables the life insurance man to work continuously. Business is good and we have desirable territory for men of character and ability.

We also have territory in Colorado, Wyoming, Nebraska, Arizona, Nevada, and New Mexico.

Two new contracts, good sellers.
Write for details. : : : : :

MOUNTAIN STATES LIFE INSURANCE COMPANY

Hollywood, California

William L. Vernon, President

R. N. Stevenson, Vice-President

Address: J. M. Miller, Agency Secretary

Drawer V. Hollywood

DENVER

V. R. WATSON
414 Denham Bldg.

SAN FRANCISCO

ERNEST RIBERA
410 Hobart Bldg., 582 Market Street



The Minnesota Mutual Life Insurance Co.

SAINT PAUL

THREE Dividend Increases in **Three** Years—
1927, 1928, 1929.

NINE New Schedules in **SEVENTEEN** Years—
1909, 1911, 1913, 1914, 1922, 1923, 1927, 1928,
1929.

No reductions in Dividends during the Influenza and War Periods—A ratio of Net Surplus to Net Liabilities of over 9%.

AGENCY OPPORTUNITIES IN
TWENTY-EIGHT STATES

Write the Home Office—Saint Paul, Minn.

We announce appointment of
ANTHONY J. BARRETT
as General Agent for Washington, D. C.
Address 708 Tower Building



All that this Seal Implies

YOU Who Are Interested in Selling Life Insurance

or who may become interested in its sale, will want to know why The Gem City Life Insurance Company has nearly 14 times as much insurance in force at the close of 1928 as it had ten years before.

The agency contract and the unusually wide range of underwriting provided by the company, that includes all standard and many special forms of participating and non-participating life, accident and health and group policies, with premiums payable monthly, quarterly, semi-annually or annually, are some of the substantial reasons for the outstanding progress the company is making.

There are other equally impressive reasons and if you will write to I. A. Morrisett, President, at Dayton, Ohio, he will be glad to give you complete details of that agency contract and the very many reasons why it will pay you to join the rapidly expanding agency staff.

The company wishes representatives in Ohio, Michigan, West Virginia, Tennessee, Alabama, Georgia, Louisiana, Florida and the District of Columbia.

The Gem City Life Insurance Company

OF DAYTON, OHIO

The Rapidly Growing Company

The Pacific Mutual issues all forms of Life and Accident insurance usually sold by the best companies, and in addition offers many other features that are attractive to salesmen.

Among them you will find:

The Non-Cancellable Income policy

The "5-way" Multiple Protection Policy

Permanent Total Disability of \$15.00 per thousand with 90-day Presumptive Clause

Excess interest dividends on instalment payments the first ten years on Retirement Income Bonds

Direct Mail Plan of selling which is so popular at present

School of instruction for agents

It offers the field man the best there is in modern selling methods and supplies him with a full line of attractive policy contracts, both Life and Accident.

General Agency contracts may be arranged in certain portions of the following states.

Illinois

Ohio

Indiana

Delaware

Pennsylvania

Nebraska

and several other prosperous states.

If you have had a successful life insurance career and are financially able to undertake the building of a general agency send full outline of your experience and references to

ARTHUR C. PARSONS

Vice-President and Superintendent of Agencies

SIXTY-ONE YEARS OLD

Assets over 145 million

Life Insurance in force over 700 million

**The Pacific Mutual Life Insurance Company
of California**

Home Office: Los Angeles, California

2nd Convention Daily

Dependable



The dependability of the Lighthouse is unquestioned. The mariner depends upon its warning light to guide safely his course.

Dependable as a Lighthouse is the Security Life Insurance Company of America.

Best's Life Reports for 1929 says:

"The Company has reputable and able backing."

"Policyholders surplus is more than sufficient for all contingencies."

"The Reserve basis is very strong."

"The mortality rate is very favorable."

"Expenses are moderate and reducing."

"Its investments are of excellent quality."

"The Company pays death claims promptly."

"The premium rates are low."

"Limited payment policies become participating after premium paying period."

"OUR GENERAL RATING OF THIS COMPANY IS EXCELLENT."

WE say—"We offer the best contract to Agents of any prominent Company."

WE say—"We have *the* Policies."

WE suggest you ask to see our Agents' contract and samples of our Policies.

SECURITY LIFE
INSURANCE COMPANY OF AMERICA
O. W. JOHNSON
President
CHICAGO

3rd Convention Daily

The National Underwriter

LIFE INSURANCE EDITION

FRIDAY, SEPTEMBER 27, 1929

*Welcome
Life Underwriters!*

AN INVITATION

ACACIA heartily welcomes you to your nation's capital and cordially extends to you the hospitality of its magnificent new Temple of Service and the facilities of its Acacia Club.

Here you may see one of the country's finest home office buildings; view the grandeur of Washington's sky line from Acacia's delightful roof garden; enjoy the restful atmosphere of our luxuriously appointed club rooms; make your train reservations or arrange for sight-seeing tours or any other service Acacia can render you.

Just tell the young lady at the Information Desk that you are a Life Underwriter. We assure you of a hearty welcome and our best efforts for a pleasant visit.

W. Montgomery
President



Acacia's Temple of Service

IN a few years ACACIA has passed from the end of the procession to a position of leadership. It now ranks 35th in size among all the companies doing business in the United States and only 25 companies gained more insurance last year.

ACACIA'S leadership is all the more remarkable because it has been achieved in a limited field. Membership is confined to a select group of men and brokerage business, reinsurance, group or other wholesale business is not accepted.

The acid-test of a company's popularity with its policyholders is in NET GAIN.—In this respect, ACACIA is an outstanding leader.

ACACIA MUTUAL LIFE ASSOCIATION

WM. MONTGOMERY, President

HOME OFFICE — 101 INDIANA AVE.

FRIENDLY ASSOCIATES

WITHIN the organization of the Massachusetts Mutual there is a "tie that binds" the Home Office and the Field in a very close relationship. We are all friendly co-workers. Ask any man or woman who represents the Company if this is not so and you will be assured that this relationship is a striking characteristic of the institution.

Policy contracts of the finest quality; a satisfactorily low net cost; real service to policyholders and beneficiaries; steadily increasing and widening prestige; a consistently progressive attitude—these are some of the other attractions that this old New England Company offers to the life underwriter.

.....

Massachusetts Mutual Life Insurance Company

Springfield, Massachusetts

Organized 1851

More than a Billion and Three-Quarters of Insurance in Force

MISSOURI STATE LIFE

The Progressive Company



THE Missouri State Life is rapidly nearing the "Billion and a Quarter" mark in amount of insurance in force. Through its progressive ideas and hearty cooperation with field representatives, it has risen to a position of rank and leadership which many other companies twice its age have not yet attained. Progressive agents like the progressive methods of the Missouri State Life. It is happy to be recognized as an Agent's Company.

HILLSMAN TAYLOR, PRESIDENT
St. Louis, Missouri



Admitted Assets Over
\$131,000,000.00

Insurance In Force Over
\$1,210,000,000.00

NATIONAL LIFE INSURANCE COMPANY

of The United States of America

ALBERT M. JOHNSON
Chairman of the Board

Established 1868

ROBERT D. LAY
President



Primarily A Field Man's Company Because:

It provides producers with

First—Complete sales training course—That Trains!

Second—Complete kit of up-to-the-minute policies—low guaranteed cost—combined Life, Accident and Health—Non-Medical—Sub-standard.

It provides Agency Managers

First—Practical Recruiting Plans—That Recruit!
Practical Supervising Plans that bring results.

Second—Definite, tangible Home Office cooperation in Building and Retaining profitable organization.

Personal producers and Agency Managers alike succeed with the National Life Insurance Co. of the U. S. A.

It is directed by men who through years of practical experience understand the field man's problems.

It has assets of \$60,000,000.

Insurance in force \$300,000,000.

If you wish to capitalize fully on your ability and energy applied to a successful life insurance career,

Address Walter E. Webb, Vice President

Home Office
29 South La Salle Street
Chicago, Illinois

A FINE OLD COMPANY FOR AMBITIOUS YOUNG MEN

Badges of Service



Midland Life
Insurance Company
Kansas City, Missouri

NATIONAL FIDELITY LIFE



From The Heart of America GREETINGS!

"Come Again!"—our parting words three years ago when the National Life Convention was held in Kansas City.

"Come Again!"—our standing invitation to the National Life Convention.

In sending our greetings and assurance of our hearty support of the National Association of Life Underwriters, we want to reiterate again our invitation to the National Life Convention to come again to Kansas City not years hence but soon.

We want it understood that the latch key is always out—that there is a standing invitation to the life insurance men of America to come as often as they desire and to stay as long as they like in Kansas City.

Business Men's Assurance Company of America
W. J. Grant ~ President

Kansas City Life Insurance Company
J. B. Reynolds ~ President

Midland Life Insurance Company
Daniel Boone ~ President

National Fidelity Life Insurance Company
Ralph H. Rice ~ President

THIRD AD

3

OF SERIES

What The Lincoln National Life Offers Policyholders

<i>Annuities</i>	<i>Speedy Service</i>	<i>Unquestioned Strength</i>	<i>Reputation</i>
<i>Substandard Insurance</i>	<i>Policyholder's Magazine</i>	<i>Square Deal</i>	<i>Prompt Payment of claims</i>
<i>Indiana Deposit Law guarantee</i>	<i>Salary Savings System</i>	<i>Guaranteed Low Cost contracts</i>	<i>The Copyrighted Emancipator Policy</i>
<i>Policies for Men, Women Children</i>	<i>Strong Policyholder's Service Department</i>	<i>5% excess earnings paid</i>	<i>Disability Prof. Disability Double Indemnity</i>

It The Lincoln National Life is a strong company. It has a surplus to protect policyholders of more than \$5,300,000.00.

It It has more than \$700,000,000.00 of insurance in force. It has had continuous successful management from the beginning.

It It is a growing company, an aggressive company, ... a company that helps its agents succeed. ...

A beautiful and valuable large booklet concerning The Lincoln National Life Insurance Company is offered to those who are interested in its agency openings. ... Write for a copy of "Can You Measure Up?"

The Lincoln National Life Insurance Company
Fort Wayne, Indiana.



CASH IN ON A&H INSURANCE

**Read
THE
ACCIDENT
AND
HEALTH
REVIEW**

MAIL
COUPON
NOW

The Accident & Health Review,
 175 W. Jackson Blvd.,
 Chicago, Ill.

Send me The A. & H. Review for one year starting with the next issue and bill me for \$2.

Name

Address

City..... State.....

Good Men
want to
work
with us

We want
Good Men

A GOOD "HOOK UP" FOR "LIVE WIRES"
The Two Million a Month Agency

HERMAN C. HINTZPETER
MANAGER

THE MUTUAL LIFE INSURANCE CO. of N. Y.
Room 866, 208 So. La Salle St. Chicago, Illinois

We Make You
Succeed

Success Makes
You Money

There is a
REASON why
you can earn more money
in the Chicago General
Agency of the

**Northwestern
Mutual Life**

INSURANCE CO.
of Milwaukee

OUR SYSTEM OF
AGENCY PROTECTION

1. Agents are protected against rebaters.
2. Agents are protected against brokers.
3. Agents are protected against "part-time" men.
4. Agents have the advantage of extensive route lists and the services of a competent Statistician free.

Hobart & Oates

General Agents
ROOKERY BUILDING
209 S. La Salle St.



IN CHICAGO there is
a big opportunity for
the live agent. Here
are thousands of
prospects. Men are engaged
in many professions and busi-
ness activities. There are big
men to be reached. Chicago
has men of high position and
great resources. Then life in-
surance work needs agents
who can get those of more
modest income. There are
clerks and wage earners to be
insured.

Men operating through the
well established and high
grade offices represented on
this page are succeeding.
Others can succeed in a simi-
lar manner.

ÆTNA
LIFE INSURANCE CO.
of Hartford

We offer opportunity
to men of vision.

Brokers will find us
especially equipped
to aid them with
their problems.

Non Participating
and Participating
Life Insurance.

Group Life Insurance
Group Disability
Accident and Health.

S. T. WHATLEY
Gen. Agt.
2043 — 230 S. Clark St.
Chicago

STUMES & LOEB
GENERAL AGENTS

THE PENN MUTUAL LIFE INSURANCE CO.

112 WEST ADAMS ST.

CHICAGO, ILL.

TEL. RAND. 0560

*Four Decades
of the*
**NATIONAL
ASSOCIATION of
LIFE UNDERWRITERS**

Today Life Insurance is one of our major social institutions, comparable to any other of that group which "have helped man to lift himself from a bewildered animal, at the mercy of fate, to a thinking being, who takes care for the morrow and exercises considerable control over his destiny."

These words, written the other day by a well-known social psychologist, would have been so far from the truth in 1889, when the Association was founded, that they would have been meaningless, if not absurd.

Today, with half the population insured, they are absolutely true—a result due in very large part to the influence of the Association.

The betterment and strengthening of the Agency personnel of the whole country, during the four decades of its existence, can never be fully measured nor adequately expressed. But it has been constant, all-pervasive, constructive and invaluable.

In addition to the New England Mutual, Boston gave another good gift to American Life Insurance when the Association was born here forty years ago!

**New England Mutual Life
Insurance Company**

87 Milk Street, Boston

*Oldest Chartered Life Insurance Company in
America—the First Mutal, 1835*

**Is This
What You Want?**

A company of today alive to the needs of tomorrow.

A company that recognizes its obligations to its agents as well as its policyholders.

A company that sells guaranteed cost life insurance exclusively pays no dividends to selfishness.

A company with a **real** substandard department.

A company whose potential clientele ranges from age one day to sixty-five years.

A company whose financial strength is second to none.

A General Agency company.

*An inquiry may be the turning point
in your business life.*

**CONTINENTAL
Assurance Company**
CHICAGO

JOHNSON AND ADAMS

Commercial National Bank Building
WASHINGTON, D. C.

NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY

BOSTON, MASSACHUSETTS

Always a Resolute Defender
of the Mutual Principle in
Life Insurance Practice

EDGAR C. FOWLER

General Agent

705 First National Bank Bldg.

Tel. Central 1300

CHICAGO, ILLINOIS

JULIUS H. MEYER

General Agent

231 So. La Salle St.

Tel. State 4563

CHICAGO, ILLINOIS

Bokum & Dingle

General Agents

Massachusetts Mutual Life Insurance Company

of Springfield, Mass.

112 W. Adams St.

Chicago, Ill

BERKSHIRE LIFE INSURANCE COMPANY

Pittsfield, Mass.

We have room
for two or three
more active
agents in
Chicago.

ROBERT F. PALMER

General Agent

105 S. LA SALLE STREET

Chicago, Illinois



NEW ENGLAND COMPANIES
have always stood out prominently as bulwarks of safety in life insurance. In fact, New England is a synonym for dependable protection. New England laws and New England state supervision are recognized the country over as exemplars. The Chicago agencies of New England companies have taken special pride in being able to carry the banner of sound life insurance to the people of that great city.



WILLIAM M. HOUZE

General Agents

Room 1848, The Straus Bldg.
S. W. corner Michigan Avenue and
Jackson Boulevard
Telephone Wabash 2727
Chicago, Illinois

Exceptional Opportunities
for Full Time Agents and
Brokers in Our New
Agency.

Will Be Glad to Have You
Call and Get Acquainted.

Connecticut Mutual Life Insurance Company

Founded 1846

HARTFORD, CONNECTICUT

SAMUEL T. CHASE

General Agent

231 So. La Salle St.,

CHICAGO, ILL.

Phone Central 5703

LOUIS J. FOHR

General Agent

208 So. La Salle St.,

CHICAGO, ILL.

Phone Central 7558

WILLIAMSON & WELLBELOVED

General Agents

222 West Adams St.,

CHICAGO, ILL.

Phone Randolph 1060

"PILOT'S Debt to AVIATION"

Best wishes to members of the National Association for a successful gathering. Now for the second hundred billion!



Every day of the year, in the news of the world, intrepid Pilots are keeping alive the significance of that title.

To these pioneers of the air, PILOT LIFE owes a debt of tremendous scope. It has made the title "Pilot" a household word that is said and re-said in the hum of the family circle.

And, while these same adventurers press forward with astounding progress the span of aviations' influence, they keep ever before a watching world the need of adequate insurance protection.

T. D. BLAIR, *Agency Manager*

There are splendid opportunities for life underwriters, seeking a general agency of their own, to become Life Insurance Pilots throughout the awakened South.



PILOT LIFE INSURANCE COMPANY

GREENSBORO, N.C. A.W. McALISTER, PRES.

The 1911 Association's greatest achievement, without question, was the inclusion of a day of serious business in its program. The association's members were present in large numbers, and the program was well received. The association's success was due to the enthusiasm of its members and the excellent management of the association's affairs. The association's success was also due to the fact that it was the only association of its kind in the world. The association's success was also due to the fact that it was the only association of its kind in the world.

Fort Wayne Gets E

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The National Underwriter

LIFE INSURANCE EDITION

Whatley Heads National Association

Convention End Is Biggest Ever

Membership Achievements Especially Stressed at Last Convention Session

FURTHER GAINS SOUGHT

Plan for Associate Memberships Approved—Work of American College Reviewed

*Convention Headquarters,
Hotel Mayflower,
Washington, Sept. 27*

The 1929 convention of the National Association of Life Underwriters, the greatest in the history of the organization, was brought to a spirited conclusion Friday afternoon, after three days of enthusiastically received potage of serious business, inspiration and entertainment—well blended. Nearly 2,000 were present for the sessions and were unstinting in their praise of the offerings of the entire convention. No one portion stood out in bold relief, but rather the entirety was of keen interest and well worth the journey to Washington.

The last day's session opened with enthusiasm at a high pitch. Membership accomplishments were stressed at the outset. Immediately following this, Managing Director Hull read from the platform the last minute "wire" news on membership, the aggregate, made up from telegrams received during the convention, passing the 19,400 mark at the moment. The assurance that the association has started on a great tide of growth and development was evident and promises much for the coming year.

Fort Wayne Association Gets Edwards Cup

President Clark announced that the Fort Wayne, Ind., association had won the Charles Jerome Edwards Cup.

"This cup is left us," he said, "by Charles Jerome Edwards, former president of this Association, whose works for the association make him almost immortal in our memory. Some years ago he said he should like to leave a cup to be presented each year to that association which made the largest percentage of increase of any of the local associations in our body."

"This year we have had an outstanding piece of work in many ways on the part of the Fort Wayne association, and it is with very great pleasure that I present to Mrs. Brown their qualified delegate here, this cup known as the Charles Jerome Edwards Cup, they to keep it for one year, on account of an increase in membership in that association, which numbered more than 100 before the campaign for membership gave an increase of 13½ per cent in the total membership of that association."

NEW OFFICERS ELECTED

PRESIDENT

S. T. Whatley, Chicago, Aetna Life

VICE-PRESIDENT

C. C. Day, Oklahoma City, Pacific Mutual Life

FIRST VICE-PRESIDENT

George W. Ayars, Los Angeles, Phoenix Mutual Life

SECOND VICE-PRESIDENT

E. J. McCormack, Memphis, Minnesota Mutual Life

THIRD VICE-PRESIDENT

Thomas M. Scott, Philadelphia, Penn Mutual Life

FOURTH VICE-PRESIDENT

H. O. Wilhelm, Omaha, Northwestern National Life

SECRETARY

John F. Cremen, Washington, Massachusetts Mutual Life

TREASURER

Robert L. Jones, New York, State Mutual Life

CHAIRMAN EXECUTIVE COMMITTEE

Paul Clark, Boston, John Hancock Life

NEW TRUSTEES

Julian S. Myrick, New York; E. B. Hamlin, Cleveland.

New President Assumes Office

Given Strong Corps of Assistants to Carry on Work During the Coming Year

HAMLIN, MYRICK ON BOARD

Paul F. Clark, Retiring President, Selected as Chairman of Executive Committee

*Convention Headquarters,
Hotel Mayflower,
Washington, Sept. 27*

S. T. Whatley of Chicago was formally inducted into office as president of the National Association of Life Underwriters at this morning's session, following the presentation of the report of the nominating committee, which was adopted by the convention without change, resulting in the election of the official staff for the coming year as shown in the list given on this page. The new official staff is a particularly strong one, all of its members having had long experience in association work and most of them well known in the activities of the National association. Following the election, the new president was escorted to the platform and introduced to the convention by Paul F. Clark, retiring president. In a brief talk he outlined some of his aims and purposes for the coming year. The other new officers also were introduced and expressed their appreciation of the honor conferred upon them.

Myrick and Hamlin Named as Trustees

President Whatley announced the appointment of Julian S. Myrick, retiring chairman of the executive committee, and E. B. Hamlin, of Cleveland, as the new members of the board of trustees, and those appointments were confirmed by the executive committee at a special meeting held just after the morning convention session. John F. Cremen, of Washington, newly elected secretary, also becomes a member of the board of trustees ex-officio. All of the other ex-officio members are already serving on the board.

The executive committee, in accordance with the custom generally followed in recent years, elected Paul F. Clark, retiring president, as its chairman for the coming year.

New President Has Had Wide Experience

Mr. Whatley, the new president, was born on a farm near Greensboro, Ala., Jan. 9, 1887. He graduated from the University of Alabama in Tuscaloosa in 1907. When he left college he entered the local agency of George C. Whatley

secure the hearty cooperation of all local associations to the end of enrolling every acceptable underwriter in the country."

Huebner and Clark Speak on College

Dr. S. S. Huebner made a report as dean of the American College of Life Underwriters. He showed the widespread interest and support it has won, both from insurance men and colleges. There are about 100 men already qualified for the degree of Chartered Life Underwriter and the award will be conferred as soon as technical matters are solved. Since the college was incorporated a law has been passed requiring all institutions in the District of Columbia that confer degrees to secure an authorization from the board of education of the District. The board so far has not been willing to approve a college that does not have class rooms and a teaching staff. As the American College of Life Underwriters is an examining and not a teaching body the authorization has not been given. It may be necessary to use some other word than "degree" for the award granted by the college.

Ernest J. Clark spoke as president of the college and referred to the need for funds. The Edward A. Woods Foundation was organized so to raise \$100,000, the income from which would be used for the support of the college. Only about \$50,000 has been raised, but Mr. Clark said that work now planned will undoubtedly result in bringing the fund up to the desired sum.

G. Gilson Terriberry, now with the Mutual Benefit Life in New York, who has made a phenomenal record in his

(Continued on page 22)

The cup was accepted on behalf of the Fort Wayne association by Mrs. Zura Z. Brown, one of the leading producers of the Lincoln National Life and the only woman to pass the last C. L. U. examination.

Plan for Associate Memberships Adopted

As a further step toward enrolling the greatest possible number of eligible members in the National Association, a plan for country or associate memberships, proposed in a resolution submitted by the executive committee, was adopted by the convention. The resolution reads:

"The executive committee of the National Association of Life Underwriters expresses to each local association its appreciation of the results accomplished in reaching the present membership total. With this strong foundation, the executive committee believes that the present membership could be strengthened immeasurably by bringing into the local associations the underwriters in all the territory adjacent to each local association so that it may be said in truth that the National Association of Life Underwriters represents the underwriters both in the city and in the country districts, which would give the governors and legislators a source to which to turn for the voice of the underwriter and would give the underwriter in the most remote place the influence of the best thoughts on ethics and presentation.

"Therefore be it resolved, That the officers of the National Association be instructed to frame an ideal set-up for country or associate memberships for local associations to be offered the local associations and that the National Association do everything in its power to

(Continued on page 23)

Whatley Tells Aims for Year

New President Praises Accomplishments of Outgoing Administration Highly

CLOSER TIE-UP SOUGHT

"Second 20,000 Members" Suggested As One of Slogans for Coming Year's Work

In accepting the post of president of the National Association of Life Underwriters, S. T. Whatley announced his appointments to the board of trustees, and stated he had asked Julian S. Myrick to continue as head of the committee on institutional advertising. He praised the work done in that connection, the progress made by the American College of Life Underwriters and the work done by Roger Hull and his associates at national headquarters. He pledged his assistance in bringing about a still closer tie-up between the local associations and the National association.

"I enter upon the duties of this new office with due humility," he said, "because I am so mindful of the glorious administrations which have just preceded me. However, I want to take this opportunity of thanking the nominating committee, not for nominating me but for the wonderful corps of associates they have given me to carry through the new administration.

Success Depends on Type of Associates

"I lived in Pittsburgh for ten years, the early surroundings of Andrew Carnegie, and from studying Mr. Carnegie's life movements, I learned one very great thing from him, that the degree of your success is almost wholly dependent upon the type of men with whom you surround yourself. Therefore, I have given a great deal of thought to my official family for the coming year. I am going to ask the executive committee to confirm the appointment of Paul Clark as chairman of the executive committee. I am going to ask them to appoint Julian Myrick as a member of the board of trustees. For the remaining vacancy on the board of trustees I am going to ask the appointment of a man who has served previously on the board but who has not been there for several years, a man who found it impossible to get to this meeting but when called on the telephone yesterday and advised he was going to be drafted to serve on the board of trustees for the coming year, dropped very important business, got on the train in Cleveland, and arrived in Washington this morning, Ed Hamlin of Cleveland.

"Now I feel that a board of that kind, with the addition of John Cremen, who automatically as the elected secretary comes on, together with the hold-over members, will make a board of which you need have no fear.

National Advertising Campaign Important

"One of the most important things that has been carried on by the two preceding administrations, in my opinion, has been the national advertising campaign. Great progress has been made. Mr. Myrick has already reported to you as a chairman of that committee the progress that is being made, and I am going to ask Mr. Myrick to take the chairmanship of that committee for another year.

"It shall be my hope during the coming year to further tie up that closer relationship between national associations and local associations which has been so

New Association Head



S. T. WHATLEY
Newly-elected President of National Association

admirably begun by Paul Clark and Roger Hull during the past year. I feel that I am entering upon a new era in the association. Conditions at headquarters in New York are, I feel, well nigh perfect. I am very much indebted to the previous administration for turning over to me a working organization which is functioning so harmoniously.

Will Further Work of American College

"Naturally, one of the great aims of the administration will be to further in every way the aim of the American College of Life Underwriters, so ably headed by Earnest Clark and Dr. Huebner with their associates. We want to further give to the man behind the rate book some concrete evidence of the value to him of the National association and of his membership in the National association.

"I am not going to announce any extravagant program. I am indebted to Jerome Clark for summing up so very beautifully the other day an expression I am going to use now. It seems to me that the magnificent gains made during the past two administrations make this one a particularly propitious time to consolidate our gains.

"Much has been said in this convention about the second hundred billion. I had hoped that before the convention was over Roger Hull might be able to announce our membership reaching a total of 20,000. I am sure that it will within a very short time and I would like to adopt more or less as one of our slogans for the new administration, 'The second 20,000 members.' We want to make more pilots out of some of those 180,000 stowaways that were referred to the other morning.

"Finally, I want to say to you that at the Toronto convention next year, where an international convention will be held,

consolidating the interests of the American association—or the United States Association—and the Canadian Association, we promise you a wonderful program. I don't say that it will measure up to this, but we will do our best and we promise you true Canadian hospitality. I just hope that you will all come and have a great time."

Breakfasts for Officials

A complimentary breakfast was given Thursday morning for the officers of life companies, insurance commissioners, special guests, representatives of affiliated insurance organizations, officers and trustees of the National association, at which some of the noted raconteurs both inside and outside the association ranks were given an opportunity to display their prowess. The officers, trustees and members of the executive committee of the National association and officers of local associations got together for breakfast Friday morning on a Dutch treat basis.

Give C. L. U. Course on Coast

One of the most striking endorsements of the C. L. U. degree and the American College of Life Underwriters yet received was read by President E. J. Clark of the college, before announcing the year's graduates. Mr. Clark was in receipt of telegrams from Fred C. Hathaway, president of the Los Angeles association, who announced that the University of California had just completed arrangements for a course of preparation for the C. L. U. degree, to be given to a class of at least 100, who will take the examination next June.

Columbus, O., had a delegation of nearly 50 at the convention, including the wives of agents and company men in the party.

Women Do Need Life Insurance

Woman Agent Who Specializes on Selling Them Tells of Field and Methods

SALES RESISTANCE LESS

Investment Feature Appeals to Them—Need for Clean-up Policy Emphasized in Canvass

By EMMA H. DITZLER

Fraser Agency, Connecticut Mutual, New York City

I specialize in selling insurance to women because I enjoy working with them, find less sales resistance, and women as a general rule are more careful with money than men, and are looking for a safe and sound means of saving. They won't take the chances in investing their money that men will as life insurance, as an investment, appeals to them. Women are by their very nature more saving than men.

There are several classes of prospects among the women. In the first class we will put married women of the home. Those are the least desirable prospects. Second is the married or single woman employed in an office. She is a little better prospect. Third, the small class, the business or professional woman. In this class I put such people as trained nurses, school teachers, doctors, lawyers and women executives, also ones who have their own business. These are the best prospects for life insurance because they have greater needs for it. Everyone is an excellent prospect for a clean-up fund.

Clean-up Policy Basic Necessity

The basic idea of life insurance when it was originated was to supply enough money to bury the person who had died. From that there was an evolution which finally made society conscious that a man at his death should not only have enough money to bury him, but should also have enough to pay his worldly debts rather than to saddle his family with the burden. This we will call the clean-up policy.

After I have come to the clean-up policy, there are other needs, such as educational income for the family, etc. Of course, these additional needs are not the problems of the women but of the men. To get back again to the clean-up fund, isn't it true that a woman should have enough money to pay her worldly debts when she crosses the horizon as well as a man?

Salaried Girl's Death Throws Burden on Family

To illustrate that, take the average salaried girl, who comes from a family of moderate or poor circumstances. Her death immediately throws upon the family a financial burden. It is not an easy matter for even the family in good circumstances to raise \$4,000 or \$5,000 of cash without notice. It is a tremendous task for the family in poor or moderate circumstances. Is it not fair then, for this girl to lay aside only a few dollars a year to eliminate what may be a fatal financial blow to her family, resulting in desperation, unhappiness and poverty?

The very same problem confronts the married man. As life underwriters, we young married woman and the young stress to the young married man the importance and necessity of carrying sufficient life insurance.

(Continued on page 23)

Huebner Reports on C. L. U. Work

American College of Life Underwriters Is Getting Splendid and Widespread Support

DIFFICULTY OVER DEGREE

Recent Law of Congress Applying to District of Columbia Causes Delay in Awards

By DR. S. S. HUEBNER,
Dean of American College of Life Underwriters

A review of the past year's progress clearly indicates that the American College of Life Underwriters is permanently established and that it is being supported as wholeheartedly as can be expected in so short a time for any new and large educational movement. Most of the serious problems of the college have been solved and are a matter of the past. The educational standards, and the methods of procedure, have been carefully shaped so as to be worthy of the support of educational institutions and of those who have the best interests of life underwriting at heart. Moreover, with respect to all of its declared purposes, the college is progressing satisfactorily. It is the purpose of this address to outline briefly the essential features of that progress.

More Than Half Passed Examinations

There was a large increase in number of candidates for C. L. U. examinations. For the June, 1928, examinations the number of candidates was 39, and for the December, 1928, examinations 51. Compared with these figures, it is interesting to note that 157 candidates were admitted to the June, 1929, examinations, or three times the number admitted for the examinations held six months previously. Of this number 114

(compared with 34 in June, 1928, and 32 in December, 1928) presented themselves for the examinations. These candidates represented forty cities in twenty-three states, the District of Columbia and China.

Of the 114 candidates taking the June examinations, 61 passed all of the five examinations and will be Chartered Life Underwriters as soon as the board of directors confers the diploma. Seven additional candidates took advantage of the college's rule allowing university and college graduates to take the examinations immediately following their graduation and, having passed all of said examinations, will receive their C. L. U. diploma upon completion of the required three years' satisfactory life insurance experience. Of the 61 successful candidates, fifteen are general agents or managers, seven are teachers of insurance in universities or with companies, seven are sales promotion managers, district superintendents or agency supervisors, and four are company home office representatives connected with the agency department. This showing, representing one-half of the total, speaks for itself. It indicates that the C. L. U. movement is appealing to those in managerial and teaching positions, who are best situated to inculcate the desire for continued and advanced study to the larger numbers within their sphere of influence.

Many Are Near to Earning Their Degrees

The first two examinations resulted in 36 Chartered Life Underwriters, and one additional candidate who passed all examinations and who will receive his diploma upon completion of three years' experience. The last examination has increased this list to 97 who have met all the qualifications to become Chartered Life Underwriters, and eight additional candidates who will be entitled to receive their diploma upon completion of the period of required experience. The last examination thus increased the previous total by nearly 200 percent, and at present the number of successful candidates is well over the hundred mark. Many additional candidates, however, have made substantial progress towards the desired goal. Nine have al-

ready passed four of the five required examinations; fifteen took one of the two installments of examinations, as is permitted by the rules, and have received credit therefor; sixteen more have passed three of the examinations, scattered over the two installments; while eleven have credit for two of the five examinations. At present there are already 93 approved applications for the next examinations on June 19, 20, and 21 of 1930.

Increase in Number of Examination Centers

It is the policy of the college to arrange for regional examination centers for the convenience of candidates, and universities and colleges, most conveniently located, are selected for the purpose. It is our plan to have at least one examination center in each state, but where there are a number of large cities in a state we are willing to make arrangements for more centers if the number of candidates justifies the expense involved. Professor A. M. Spalding, registrar of the college, should be thanked for his efforts in making the arrangements for the first two examinations, and Doctor David McCahan, assistant dean, for his efforts to accommodate all candidates during the last examination. Both gentlemen had to meet many problems. In some instances, the candidates were not disposed to travel even a few miles to a center conveniently located for a group. In other instances the center was selected and the supervisor contractually engaged for one or a few candidates, and just a few days before the examination said candidates would either withdraw or fail to appear without notice, and leave the college with its financial commitment. We are willing to do everything possible for all candidates within bounds of reason. I hope that all future candidates will bear in mind that the present rules of the college were actuated by the best intentions for all in the light of financial practicability. Whenever five or six candidates present themselves we are willing to furnish an examination center in that locality.

Arrangements were effected with fourteen colleges and universities to conduct the first examinations in June, 1928.

Reports on College

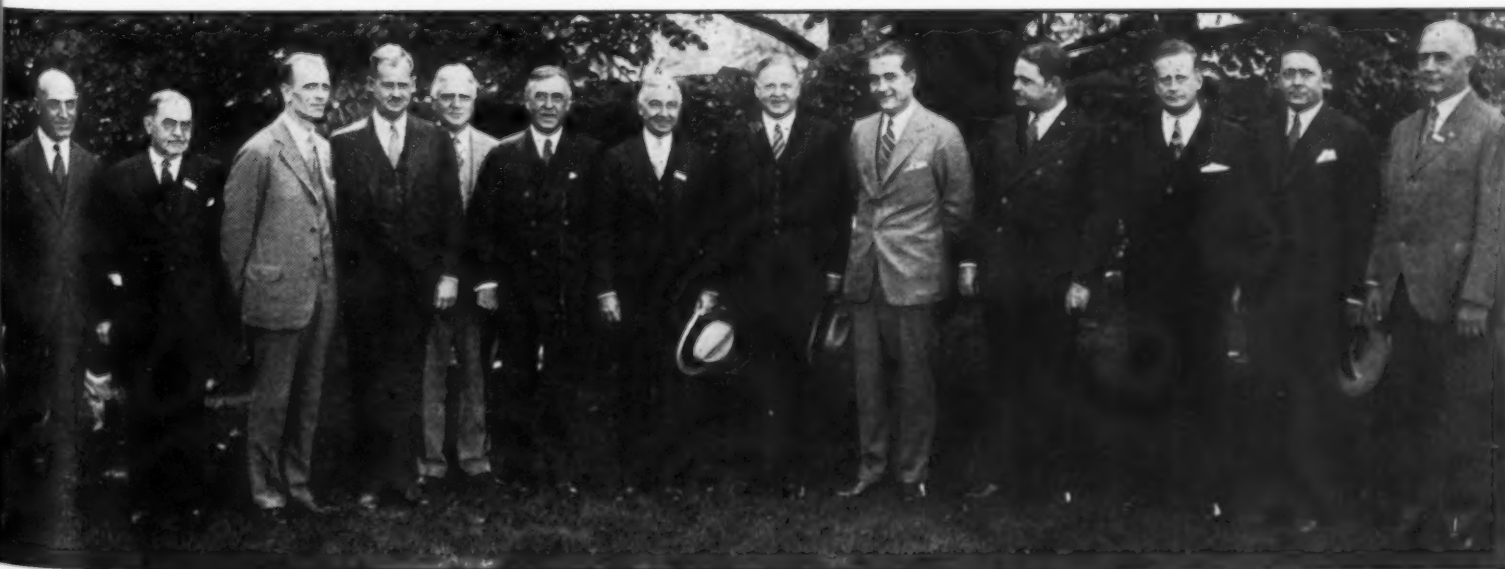


DR. S. S. HUEBNER, Philadelphia
Dean of American College

Since then, thirty additional ones have evidenced their willingness to aid in the same capacity. The present cooperating institutions are listed below. As time goes on and additional centers are needed, this list will doubtless be greatly extended:

University of California, Berkeley; University of Indiana, Bloomington; University of Iowa, Iowa City; University of Kansas, Lawrence; University of Louisiana, Baton Rouge; University of Minnesota, Minneapolis; University of Nebraska, Lincoln; University of North Carolina, Chapel Hill; University of Oregon, Eugene; University of Pennsylvania, Philadelphia; University of Southern California, Los Angeles; University of Washington, Seattle; University of Wisconsin, Madison; Georgia School of Technology, Atlanta; Ohio State University, Columbus; Boston Uni-

Leaders in Life Insurance World Snapped with President at White House



This picture shows a group of leaders in the life insurance field, from both agency and company ranks, taken with President Hoover on the occasion of the convention's visit to the White House on Monday. Those in the group, left to right, are: Harold A. Ley, president Life Extension Institute; F. W. Ganse, chairman, trust company committee; Jerome Clark, superintendent of agencies, Union Central Life; James Elton Bragg, chairman of the program committee for the Washington convention; Ernest J. Clark, president American College of Life Underwriters; Walter L. Crocker, president, John Hancock Mutual Life; Julian S. Myrick, chairman, National association executive committee; Paul F. Clark, president, National association; H. W. Kenyon, Boston; H. H. Armstrong, superintendent of agencies, Travelers; George E. Lackey, chairman million dollar round table; W. M. Duff, secretary, American College of Life Underwriters.

versity; University of Buffalo; University of Chattanooga; University of Chicago; University of Cincinnati; Detroit University; University of Miami, Fla.; New York University, New York City; Oklahoma City University; University of Omaha; University of Pittsburgh; University of Richmond, Va.; University of Toledo; University of Wichita; Columbia University, New York; Drake University, Des Moines; George Washington University, Washington, D. C.; Howard College, Birmingham, Ala.; Loyola University, New Orleans; Marquette University, Milwaukee; Millsaps College, Jackson, Miss.; Northeastern University, Providence, R. I.; Purdue University, Lafayette, Ind.; Rice Institute, Houston, Tex.; St. John's University, Shanghai, China; Southern Methodist University, Dallas, Tex.; Trinity College, Hartford, Conn.; Vanderbilt University, Nashville, Tenn.; Western Reserve University, Cleveland.

Help from Many Quarters Will be Acknowledged

Underwriters' association, company and insurance press cooperation has been excellent. Such cooperation is essential to the college and is being given to an ever-increasing degree. The progress is necessarily slow and cumulative in character, and the college must have the assistance of others interested in the cause. A considerable number of the college's regional councillors, as well as others, have done much in their assigned localities to promote the purposes of the college with local associations, companies and universities. At a later date it is our purpose to take careful stock of this valuable work and to give public recognition, as is only fitting, to those who have so generously promoted the cause of the college.

Judging from our correspondence, private study groups for local underwriters have been organized or are being contemplated for the coming June examination at the following fourteen centers: Cleveland; Davenport, Iowa; Flint; Fort Wayne; Harrisburg; Hartford; Huntington, W. Va.; Jackson, Miss.; Los Angeles; Madison, Wis.; Providence, R. I.; San Diego; Utica, N. Y.; and Wichita, Kan. At seven other important centers—Birmingham, Ala.; Buffalo, Cincinnati; Minneapolis; Omaha, Philadelphia, and Portland, Ore.—our advice is that the underwriters are cooperating, along organized lines as far as a study group is concerned, with some university operating in that community. No doubt much is being done in other centers, but concerning this we have not been advised in detail. We certainly feel that the worthiness of the cause justifies us in expecting every local underwriters' association to make promotion of the college one of its major activities. Every association should feel that in this work the officers of the college are anxious to be of assistance in giving information and advice.

Support Is Taking Concrete Form

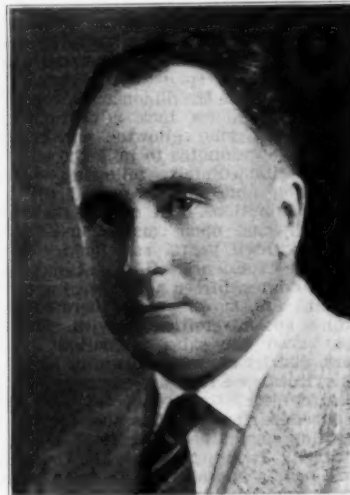
Company cooperation with the college is also developing satisfactorily. Many company officials have given us expression of their hearty approval of the purposes of the college and their willingness to encourage its growth among their representatives. In many cases this support is beginning to take concrete form. During the past year ten leading companies gave the college hearty support in their home office publications and urged their field representatives to prepare for the examinations. With respect to three companies, two of which are not included in the aforementioned number, study groups were formed among the companies' salesmen in certain cities.

This type of cooperation, I am confident, will develop more and more as the value of the college to salesmen becomes apparent. I am pleased to report that the college has had a hearty and most intelligent cooperation from the Life In-

Vice-Presidents of Association



C. C. DAY, Oklahoma City
Ranking Vice-president of National Association



EDWARD J. McCORMACK, Memphis
Second Vice-president National Association

urance Sales Research Bureau through its "Manager's Magazine." I am also pleased to report a very generous cooperation from the insurance press, which has given us its educational medium to convey to life underwriters such important particulars as the rules and requirements of the college, the results of the examinations, the questions upon which the examinations were based, the composite answers to the questions and much other information. Many sugges-

tions of a constructive nature came to us from the insurance press, or from its editors, and upon which we have acted to the benefit of the college. It is our sincere hope that we may continue to have the cooperation of the press as generously as we have had it in the past.

The purposes of the college are by no means confined to the recognition of properly qualified life underwriters with a professional designation. Its first two purposes read as follows: "(1) To en-

courage and foster the training of students in educational institutions for the career of professional life underwriter. To this end the college stands prepared to cooperate in every way possible with universities and colleges which are contemplating the introduction of a complete insurance course. (2) To cooperate with educational institutions in general life insurance education. The college does not conduct educational courses itself, believing that the work of instruction can best be given by the universities and colleges already in existence."

With respect to these two purposes the progress of the college has been exceptionally satisfactory. Through their deans or directors of business education, thirty-nine universities and colleges, including nearly all the leading institutions of the country where insurance instruction is given any recognition, have given us assurance of their full sympathy with the objects of the college and of their willingness to cooperate as far and as soon as possible with its general program of studies. Twelve of these institutions—Boston University, Columbia University, Drake University, Marquette University, New York University, Northwestern University, and the Universities of Indiana, Minnesota, Pennsylvania, Southern California, Toledo, and Wisconsin—have indicated their readiness to cooperate to the extent of all, or nearly all, of the suggested courses. The correspondence with colleges is exceptionally large and within a few years, I feel confident, a very satisfactory record of accomplishment will be realized, one redounding greatly to the dignity and welfare of life insurance and more in keeping with the similar educational record of other business professions.

Support In Way of Attendance Needed

The educational objects of our college necessarily require considerable time for solid development. The purpose of the American College is the proper standardization of life insurance education so as to cover adequately the principles and practices, the economics, and the salesmanship aspects of the subject. Many institutions give the business subjects of our program, such as economics, business law, and finance, but either have no life insurance courses or only imperfect ones. Again, where there are courses in life insurance they need to be made available to the life underwriters of the locality. In fully a dozen instances, the American College has been instrumental in inducing a university to include life insurance in its curriculum for the first time and to make the instruction available to underwriters with the C. L. U. program in view. Judging from correspondence, many other institutions have been favorably impressed with our recommendations, and are radically expanding their present limited courses.

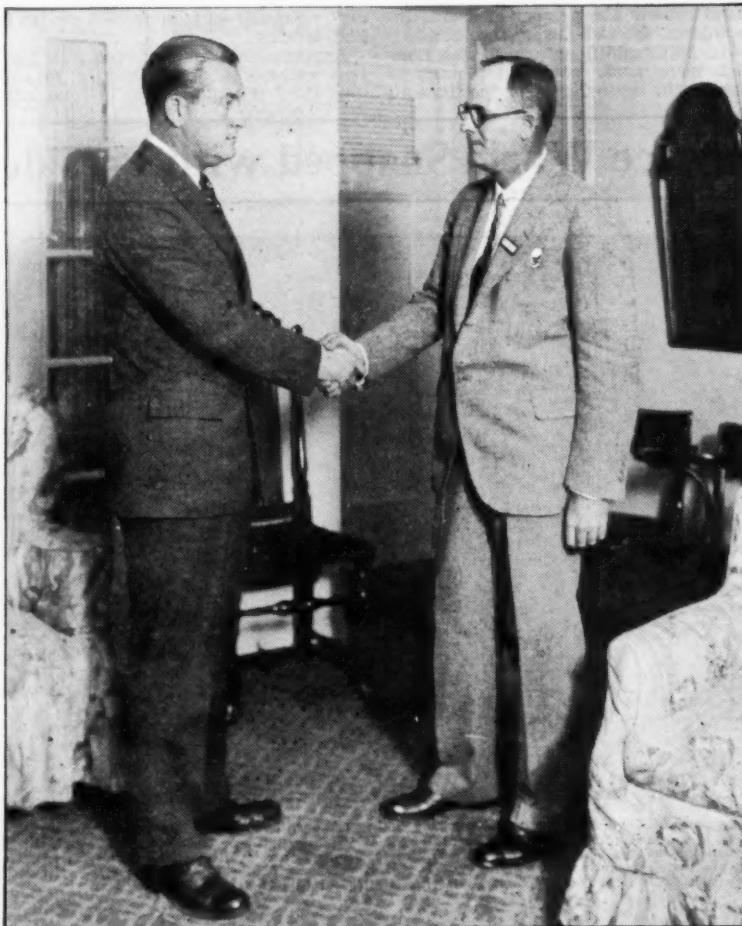
If life underwriters mean business, I wish to emphasize that universities and colleges nearly everywhere stand ready to serve and only ask that the courses be supported with an attendance sufficient to justify the cost of instruction. In quite a number of instances, owing to the influence of our college, the university has extended its hand of service to the underwriters of its locality through its evening school branch, but for some reason the underwriters could not or would not clasp that hand. Education represents the outstanding investment of a life underwriter. I sincerely hope that the underwriters of each locality, where a willing university or college operates, will clasp that hand, and our college will gladly cooperate with both underwriters and university in furthering the educational movement.

Publicity Designed to Stimulate Interest

A most comprehensive plan for stimulating interest in the work of the college and for promoting the C. L. U. idea in the public mind has been prepared by Doctor McCahan. This plan

(Continued on page 16)

Gives Welcome to New Executive



Paul F. Clark, retiring president of National association, congratulating S. T. Whatley, his successor in that position

Industrial Agent Has Big Field

**Has Built Up Great Business Under
Discouraging Circumstances
and Many Handicaps**

GREATER HEIGHTS AHEAD

**Cited by Head of Great Industrial
Organization as Example to Agents
in Other Fields**

**BY EDWARD D. DUFFIELD,
President of the Prudential**

Mr. Duffield, as president of the Prudential, is particularly well qualified to speak on behalf of the men in the industrial field. He entered the service of the Prudential Nov. 15, 1906, as general solicitor. Seven years later he became fourth vice-president and a director and in February, 1918, he was made vice-president and associate general counsel. Following the retirement of Forrest F. Dryden as president, Mr. Duffield succeeded him as chief executive of the Prudential.

When your committee requested me to speak at this convention I allowed inclination to overrule judgment. I later discovered that the topic which I was expected to talk to you about was not of my own selection. In forwarding my acceptance I indicated a subject which I felt I could cover. When, however, the program was published I found that I was expected to enter a very much broader field and discuss a topic which to properly present would require an investigation in detail of facts and figures which the time within my command prohibited. I am, however, a believer in obedience to orders, and instead of insisting upon the topic which I originally suggested I adopted in lieu thereof the one selected by the committee.

I make this brief preliminary statement not by way of apology, but rather by way of explanation so that if the informal talk that I am to give you this morning is a disappointment to those who may expect a more learned and scientific address, the fault is that of the committee and not my own.

Judge Future by Review of the Past

Frankly, I am somewhat at a loss to know just what thought I am expected to develop from the topic which has been assigned—"The Mission of the Industrial Agent in the Era of the Second Hundred Billion." The role assigned to me may be viewed either as that of a guide or of a prophet. I may be expected either to indicate what the industrial agent should do in this era, or I may be expected to prophesy what he will do.

Whichever role I assume I can only hope to attain a measurable degree of success by a review of what has been his mission during the era of the first hundred billion.

What, therefore, has been the mission of the industrial insurance agent during the 54 years that industrial insurance has been written in the United States.

At the outset I should impress upon you that the accomplishment of the industrial agent has been limited to 54 years of effort as against 86 years that American insurance companies have been writing life insurance on the lives of American citizens. He came into the insurance business at an inauspicious

time. The country was slowly recovering from the great panic of 1873. Industry was at a standstill. Credit was almost non-existent. Financial institutions of apparent stability had closed their doors and poverty and non-employment were the condition of large numbers of our citizens.

Under these adverse circumstances he was expected to sell to a class of individuals unfamiliar with insurance in any form a novel form of insurance not theretofore tried in this country, issued by companies whose names were practically unknown and whose assets were insignificant. He was given a policy small in amount and so restricted in its provisions that a reading thereof leads one to wonder what obligation the company assumed by the issuance thereof.

Nothing Paid for Death Within Three Months

For example, a policy for 25 cents a week gave a benefit of \$185, providing the insured should live for a longer period than one year after its issuance. If the insured died within the first three months, the company was not liable "to pay any sum whatever." If death occurred between three and six months, the beneficiary would receive one-third and if between six months and one year two-thirds of the benefit called for by the policy. Some policies were also issued on an agreement by the insured that they were subject to such rules and regulations as might have been or might thereafter be established by the board of directors. At the outset the prospects of the industrial agent were those who had no other insurance and he has continuously worked among those who generally speaking would not have been approached by agents of purely ordinary companies.

Thrift Unknown Word to His Prospects

His opportunity to sell these policies was practically restricted to those to whom thrift was an unknown word; who had had no experience in life insurance; who were engaged in occupations from which they were scarcely able to obtain sufficient funds for daily needs. His compensation was based on so grossly an inadequate figure that it is a wonder that any one even in those hard times could be found to attempt the task. He was restricted to the sale of these so-called industrial policies providing for this small amount of insurance to be paid for by continuing weekly payments. He had no opportunity of selling ordinary insurance and thereby supplement his income. He was not only expected to write the insurance, but to collect each week the premiums therefor. His clientele, necessarily restricted to those of small means and by their very nature improvident, were less likely to listen to a proposition of continuous self-denial. If 50 years ago someone had been asked to speak on the mission of the industrial agent he would have thrown up his hands in despair, assuming that the only mission of the industrial agent would be to find some other employment as quickly as opportunity offered.

Built into Real Factor in Life Insurance Business

That those engaged in this business would ever prove to be a real and vital factor in the building up of one of the great outstanding monuments of American enterprise was then unthinkable, and yet that is what has occurred. Those who have followed the business during these years have seen the industrial agent first building firmly upon the industrial policy until it was recognized as a real factor in the business of life insurance, branch from that into the writing of ordinary policies in increasing amounts; have seen these industrial policies develop from the narrowly restricted one first issued to those of today which contain not only larger bene-

fits, but features covering accidental death and disability. They have seen the industrial agent's contribution to American life insurance grow from an insignificant cipher to the present stupendous total.

Put on Nearly a Third of Total in Force

Accurate figures showing the amount of ordinary insurance written by industrial agents are of course not available. A fair estimate, however, is that at the end of 1928 there was approximately 13½ billions of ordinary insurance in force placed by industrial agents. Add this amount of ordinary insurance to the 16½ billions of industrial insurance in force at the same date and it will appear that the industrial agents have been responsible for having put on the books of the companies almost one-third of the total insurance now in force in the United States. If, therefore, the sole mission of the industrial agent had been the production of business, I think it fair to say that the seventy thousand who are now engaged in that form of occupation have done their full share in the era of the first hundred billion.

They have done it in small units. They have done it by insuring those who would otherwise have had no insurance protection. They have done it in fields that would otherwise not have been occupied. They have demonstrated that as far as the first hundred billion goes they have had a mission and that that mission has been fulfilled.

Disseminate Value of Life Insurance More Widely

But the sole mission of the industrial agent has not been the mere production of business. An aggregate of figures is a poor indication of the real accomplishment for which he should be given credit. There were outstanding at the close of the year 1928 over 85,500,000 industrial insurance policies. We may assume that our population was then approximately 120 million. While accurate statistics are impossible, I think it fair to say, making due allowance for overlapping policies in different companies and the issuance by one company of several policies on one life, that 65 per cent of the total number of policies would fairly indicate the number of individuals insured under this form of protection. So that out of our 120 million population about 56 million, or nearly one-half of the American people at the close of 1928 were paying a weekly premium to industrial agents.

This fact indicates one outstanding element in the mission of the industrial agent—the wider and broader dissemination of the value of life insurance.

Sale of First Policy Is Greatest Obstacle

I think it is unnecessary for me to prove that the greatest obstacle to be surmounted in extending the benefits of life insurance is the sale of the first policy. Under-insurance is, of course, an evil, but non-insurance is a still greater one. When one has been brought to realize the necessity of insurance, the task of making that insurance adequate is a very much less difficult one than to convince the individual that he needs insurance at all. The success of the industrial agent was achieved by increasing the number of those who took out insurance for the first time rather than by multiplying the insurance already carried. A very definite part of his mission has therefore been that of education—making the spendthrift become thrifty, impressing upon the irresponsible the responsibility of life, bringing to the individual a realization of his responsibility to other individuals, providing for the needs of the home and family and making a wider and more useful life possible for dependents. This aspect of his mission is better understood when one realizes that approximately 50 per cent of the industrial

Industrial Leader



**EDWARD D. DUFFIELD
President Prudential**

policies in force are on the endowment plan, a great number having been written on children.

Younger Generation More Largely Insuring

The result is that the younger generation, those now coming into manhood and womanhood, will be a more largely insuring generation than those who have preceded them. Because of what the industrial agent has done the boys and girls of today are familiar with life insurance as a part of their daily existence. Week by week they have seen the premiums paid by their parents to the industrial agent; they have overheard their conversations; they have listened to the discussion of what these policies were to do; they have understood the plans for their future which these policies would provide for. As they reach the age when the endowment matures and the provisions which have been made for their welfare change from hopes to reality, they will recognize the obligation which then becomes theirs of making provision for their own future and for those who may be dependent upon them.

Many an ordinary policy has been written by an ordinary agent not so much through his own persuasive powers as from the fact that somewhere, at some time, some unknown industrial agent educated his prospect in childhood as to the value and need of life insurance.

Certain Prominent Factors That Appear

If we analyze how the industrial agent has been able to fulfill his mission with the seemingly insurmountable obstacles which confronted him, there are certain prominent factors which appear.

In the first place, the companies have rendered him substantial aid in meeting the criticism against the cost of this form of insurance by continuously increasing the amount of benefits payable under the policy, by paying dividends which were not required by the policy contract, and by adding accidental death and disability features with no increase in premium.

In the case of the company which I represent, and I think in the case of most, if, indeed, not all, companies issuing industrial policies, when these liberalizing features have been added to the new policies they have been made retroactive so as to place all policies on an equal basis.

Those who criticize the early cost of industrial insurance should remember that all premiums are dependent upon

New Vice-President



H. O. WILHELM, Omaha
Northwestern National Life

three factors: (1) The rate of interest which will be earned; (2) the rate of mortality which will be experienced; and (3) the expense rate at which the business of the company will be conducted. So far as two of the three assumptions, those of mortality to be experienced and expense of doing the business, are concerned, those who were in charge of the companies first issuing this form of insurance had substantially no data on which to base their calculations. The majority of those who they anticipated would take their policies were of a class who could not by reason of their occupation secure ordinary insurance. They were those whose home surroundings were less favorable to the prolongation of life than those of the ordinary policyholder. The tables of mortality used by the ordinary companies were only useful as disclosing the minimum rate of mortality which the new company would experience. Nor was the company more favorably situated to obtain definite and accurate information as to the expense of doing this new kind of business.

Sufficient Fund Required to Meet Obligations

The first requisite was to provide a sufficient fund to meet the obligations of the company as they matured, and it was therefore essential that the premium charged should be sufficient to cover not only the definite factor of prospective earnings, but the unknown factors of mortality and expense.

The benefits in those early policies were therefore necessarily limited, but as experience furnished an adequate guide the companies met their obligations to the policyholders by proportionately reducing the cost to them.

The liberal policy of today has been made possible through the lowering mortality rate actually experienced and the material reduction made in the cost of doing the business, with the result that the cost of the industrial policy to the industrial policyholder compares favorably today with the cost of the ordinary policy to the ordinary policyholder.

Industrial Agent Shows Certain Characteristics

The liberalization of the companies' policies and the increasing amount of benefit paid thereunder would not of themselves have accomplished the results obtained had not the industrial agent in the pursuit of his mission shown certain characteristics.

In the first place he gave to it earnest, persistent effort. To put it more bluntly,

he worked and worked hard. He could not hope to succeed by treating his occupation as a half-time job. His efforts had to be continuous and concentrated. The work of one week could not relieve him of the necessity of similar work on the ensuing week. His policies could lapse each week by non-payment of premiums, and his obligation was to see that they did not lapse. His production required continuous effort as it was necessarily in the smallest of units. He had to write ten policies to equal one ordinary policy, yet it probably required as much of his time and effort to write each industrial policy as it required of the ordinary agent to produce an ordinary policy. Under these circumstances he could not have done those things that present figures indicate he did do without giving all that he had in the way of time, effort and energy to the accomplishment of his task.

Must Face Policyholders 52 Times Each Year

Another element which was essential to his success was that of service. This much abused term was probably never thought of in the days when industrial agents first began the collection of a weekly debit, and yet it was absolutely essential to his success. He had to face his policyholders 52 times a year. He had to convince them that their interests were his interests. He had to answer such criticism as they might make in regard to any action of his or any action of the company which he represented. Under these circumstances he had to so conduct his business as to satisfy his clientele, to convince them they were receiving an adequate return for the premiums they were paying.

The men who succeeded in this business were those who recognized the need of conducting it in a way that would demonstrate the integrity of the individual agent and the integrity of the company which he represented. Their contact with the insured was a very human contact. It broadened out beyond the mere buying and selling of a policy into an understanding of human relationships and an interest in meeting human needs.

Human Understanding, Human Interest Shown

The successful industrial agent was the individual who as he made his weekly call for collections grew to know family conditions. He understood the family problem and was interested in its solution. He was interested in the individual members of that family as individuals, and not merely as the holders of insurance policies. In other words, his whole relationship became in the broadest term a human relationship, and he brought to the accomplishment of his task a human understanding and a human interest.

This, then, was the mission of the industrial agent in the era of the first hundred billion, and by these methods he succeeded in fulfilling it.

Viewed in the light of what he has done, what shall be his mission in the era of the second hundred billion.

Will Produce More Business Than His Predecessors

If we consider solely the question of production in the era of the second hundred billion, I prophesy that his mission will be to secure more than a proportionate share of that amount. The industrial policies which he is now selling have been so liberalized as to permit a wider field for their sale. He is now writing policies on which the premiums are payable on a monthly basis, which is giving him a new clientele. He is becoming accustomed to closing ordinary business in increasing amounts, and he is not terrified by group insurance. You will find the industrial agent of today competent to enter all of these

fields, and I therefore have no hesitancy in prophesying that with his larger opportunities he will produce more business in all lines than did his predecessors.

Shows Necessity for Taking Work Seriously

I feel, however, that the mission of the industrial agent is not confined to mere production. After all, we are not engaged in the mere sale of goods, wares and merchandise. There is something more in this business than that of buying and selling. I believe that the very characteristics which from necessity have developed the industrial agent in the past are the characteristics which the successful representative of the future, be he industrial or ordinary, must have. The day of the haphazard insurance man is over. It is no occupation for the misfit or for the failure in other professions. There is no room for the idler. More and more it will call for all that a man has in time, effort and energy.

An important part of the mission of the industrial agent is to impress upon the insurance fraternity the necessity of taking this business seriously. If work was a necessity in the past, it is an equal necessity today. I realize we are living at a time when the word "work" is given an unpleasant significance. We are too prone to sympathize with the man who has to work. We are too prone to lose sight of the dignity of labor and seek to escape the necessity of performing it, and yet it is as true today as it ever has been that nothing has been and nothing ever will be accomplished of real worth in this world except by the earnest, consistent and persistent effort of some individual. If the industrial agent in the era of the second hundred billion can, as in the era of the first hundred billion, demonstrate to his brother agents that this is a business that calls for work, he will have performed a portion of his mission.

Demonstrates Necessity for Continued Real Service

Again, in an increasing degree, his mission is to demonstrate the necessity of real service to those with whom he comes in contact. I do not mean by service merely that expression which is so common today and so often misapplied. I mean a recognition on his part of the character of the business in which he is engaged; that it is necessarily based upon an unselfish act of the individual whom he is seeking to interest, and that consciously or unconsciously he is calling upon that individual to practice self-denial for the benefit of others. If he is to succeed in his calling, he must exercise that same spirit that he is seeking to invoke in his client. He must recognize that the important part of the transaction is not that which benefits himself, but that which benefits the individual to whom he is seeking to sell a life insurance policy. In other words, the vital factor in his mind must not be the commission which he will receive, but the benefit the purchaser will enjoy. This requires on his part education, a knowledge of the policies that he has to sell and a knowledge of what those policies can do in providing for individual needs; an education that will enable him to understand the financial problems of his prospect, whether those problems are of a domestic or business character.

Can't Be Accomplished by Superficial Means

He must understand how a man can best provide for his family and he must also understand how a man can best protect his business. This is not a task which can be accomplished through superficial means. It is a task which calls for the deeper realization of human needs and a better understanding

Another New One



THOMAS M. SCOTT, Philadelphia
Premier Producer of Penn Mutual Life

of business enterprises. In fact, I think it would be difficult to place a limitation upon the subjects which such a man might study and utilize to his advantage and to the advantage of the insurance public. While this requires education, it requires something more than the mere training of the mind. It calls for a human interest that springs from the heart rather than from the head. Here the mission of the industrial agent is clear. No man so much as he is brought in daily contact with the life of the American people. He must understand them and what they are thinking about and what their hopes and aspirations are and how they can be attained. Their interests must become his interests. Their hopes must become his hopes. Their desires must become his desires. He has within his grasp as has no other class of men the power of aiding and assisting those who need aid and assistance.

Serve as Example of What Business Should Be

His mission, therefore, is to realize the extent of the power that is his and utilize it in serving better those whom he is permitted to serve. If he fulfills his mission, he will serve as an example of what this business of ours may be and should be. He will act as an inspiration to all those engaged therein. He will give a new meaning to the term "insurance agent." He will take it out of the purely commercial and material class and bring it into the class of those who unselfishly seek to better their day and generation.

The mission of the industrial agent in the era of the second hundred billion, as I visualize it, is to continue to follow in an even broader and wider way the example set for him by the industrial agent in the era of the first hundred billion; to recognize the dignity of the business, to recognize the character of the business and give to it the best that is his, not because of the material gain that he may receive therefrom, but in order to realize that greater compensation which comes only from service to others well and unselfishly performed.

The Aetna Life gave a luncheon at the Army and Navy Club in Washington Thursday for its representatives who were in attendance at the convention, with about 35 present. Richard L. Place, assistant superintendent of agencies, was on from the home office and had charge of the meeting. Paul D. Sleeper, general agent for the Aetna in Washington, and chairman of the publicity committee for the National association convention, had charge of the local arrangements.

Successful Managers Tell of Methods

One Session for Agency Leaders

Discuss Problems at Meeting
Under Direction of Sales
Research Bureau

SELL JOB TO NEW MEN

Ralph Engelsman Demonstrates His
System—Huebner Urges Better
Chance for College Men

As customary, one session of the convention was given over to managers, the agency leaders gathering Thursday evening for a conference on methods under the direction of the Life Insurance Sales Research Bureau. James A. Fulton, agency vice-president, Home Life of New York, who is chairman of that bureau, opened the meeting, and discussed the importance of applying scientific methods to agency building. He said the problems in this work are largely those of merchandising and thus should be met by the gathering of adequate and accurate facts and the intelligent use of those facts in application to individual problems.

Turning to one particular phase of agency building, the attraction of new, young blood, Mr. Fulton introduced W. F. Winterble to discuss the problem of agency building with college men. Mr. Winterble, agency manager for the Bankers Life at Madison, Wis., has developed his organization largely from this source and has shown remarkable results both in first year accomplishment and long time development. He told of the details of his selection and training program and presented a comprehensive analysis of needs and cautions in this connection.

Engelsman Demonstrates Selling Job to New Man

The matter of describing and selling the job to a prospective agent was presented in the form of a demonstration, Ralph G. Engelsman, general agent for the Penn Mutual Life in New York, showing how he might sell the job to a prospect in his office. Mr. Engelsman has a rapid-fire manner of presentation which sells the business almost as thoroughly as to the insurable prospect and his talk to the new man was of keen interest.

Following these general discussions, John Marshall Holcombe, Jr., manager of the Research Bureau, and L. B. Hendershot, one of his assistants, presented the new "Visual Educational Course" which the bureau is putting out, a slide-film plan for aiding in the training of new men. One of the films was run through on the screen and Mr. Hendershot described its use and its effectiveness.

The managers' session proved an attractive meeting, after it succeeded in calling in the men from other attractions, for the large convention hall was filled well towards the back for this occasion.

Dr. S. S. Huebner, dean of the American College of Life Underwriters, added to the discussion of attracting college men, saying in part:

"I am gratified that the subject of the college man in life insurance should be on your program. I am deeply interested

Need Facts to Make Money

James A. Fulton, vice-president of the Home Life of New York, presided over the Thursday night session devoted to the problems of the managers and general agents. Mr. Fulton is chairman of the executive committee of the Life Insurance Sales Research Bureau, which had charge of this session. He said in opening the meeting:

"The first thing that any manager or general agent must realize is that a life insurance agency is a business and his problems are primarily merchandising problems.

"Life insurance salesmanship undoubtedly has its professional aspects. The successful agency will make use of professional talent. Nevertheless, the life agency is a business institution and its head faces the same type of problems faced by any other business executive. What are those problems?

"Foremost among them is a sound financial structure. Can you imagine General Motors or United States Steel or even smaller business institutions going ahead with no idea of future financial requirements? Can you imagine any sound business man starting a new venture without figuring out in detail just what its financial requirements were going to be and how they were to be provided for. He would know just what expenditures he would have to make and what results were to be obtained and would then set up a system of control to see that results approximated the assumptions.

How Many General Agents Are Making Money?

"And yet, I wonder how many men in this room have a sound and well worked out financial plan and system of control? I wonder how many of you credit earnings, including the present value of future equities, to their real sources and debit expenditures in their proper place. I wonder how many know where they are making or losing money and why.

"The Life Insurance Sales Research Bureau in its cost analysis work has found that many general agents have no idea where they are making and where they are losing money.

"An intelligent facing of this problem would mean that many new agencies would never be started and many of those that have been started would be discontinued. On the other hand, there would be fewer insolvent general agents and more really prosperous ones who were actually making their money out of their agency work and not merely eating up earnings from personal commissions for the doubtful glory of being an unsuccessful general agent.

Winner Will Be Good Financial Manager

"We hear much talk about the necessity of a manager or general agent being an all-around man—he must be a leader of men, a teacher, a master salesman and a lot more things. Unfortunately, most of us are no such versatile geniuses. In the main I would gamble my money on a hard-headed business executive, who will so handle his fi-

nancess that he can employ trainers and master salesmen and the other types of abilities he needs—and that brings us to the next and equally important problem—that is, bringing the right kind of human material into the agency. My own experience has taught me that the right type of men succeed with a minimum of education and training and that all the training in the world won't make a success out of the wrong kind.

"But I am sad to say that a very much

larger number could be placed in the business if certain things were done during that six months 'straining' period of which your chairman has just spoken. I agree with practically everything that Mr. Winterble has said. I was particularly impressed with the lean period that he spoke of, when the pocketbook is rather flat because I find that is the

"We have been so busy getting excited about education in the last few years that we have all but lost sight of the vastly more important problem of selection, and when I say selection, please don't think I mean elaborate trick questionnaires, studying the shapes of heads and ears or any of the other simon-pure bunk that masquerades as science. We need real scientific selection. The object of science is to substitute facts for impressions. That's what we need when determining whether or not we should bring a man into the agency, facts. Facts as to his past success, his financial situation, health, home conditions and personal characteristics. Facts gathered with care, and then an exercise of intelligence in making a decision—a decision which should be based on reasoned conclusion as to what we have a right to expect he will do and not an emotional conclusion based on what we hope he will do.

Even Good Men Must Be Trained

"Now don't take from all this that I fail to appreciate the value of training. Training is vitally important. Even good men must be trained. Some of us have, however, developed an almost childish faith in school room instruction. A class-room, a black-board, a pretty talker and we think our training problem is solved. Remember—class-room instruction is not training. It may be imparting useful information and it has its part, but it is not the most important part. The way to learn to do the job is by first being shown how to do the job in an actual situation. The next is by doing the job on the job. Turn from our own work to every other line of vocational training and you will find the truth of these facts demonstrated.

"These and all the problems that face us can be solved in two ways: Adequate and accurate facts and clear thinking in applying these facts.

"Fortunately the companies have set up an organization that will gather facts for us. The Life Insurance Sales Research Bureau is constantly gathering facts from every conceivable source. These facts are relayed to you through the Managers Hand Book, Managers Manual and other publications. The translation of these facts into your own plans is an individual responsibility. It calls for clear thinking and careful planning. Too many of us feel, and think we are thinking. The business problems facing you as the head of a business institution require above all things that kind of reasoned objective consideration that will result in decisions based on your judgment and not on your hopes."

(Continued on page 20)

Building Agency on College Men

Manager from Wisconsin University
Town Gives Points on
Which He Picks Them

AVERAGE STUDENT BEST

Men Who Have Had to Work Way
And Those Showing Some Leadership
Preferred

BY W. F. WINTERBLE,

Agency Manager, Bankers Life, Madison, Wis.

The subject, "Agency Building with College Men," was no doubt assigned to me because our agency at Madison, Wis., has been developed largely with the college man. To those of you who are located in college or university towns, the things I have to say may not be new. Perhaps a large share of the ideas will be familiar to many of you.

I will divide my discussion into two parts: (1) The college man just out of school; (2) men who have been out of college a few years, working at some other business.

Our location at Madison puts us in contact with men who are attending universities and upon their graduation or even before it to contract with them. It is not unusual for a man working for a professional degree and finding himself short of funds to take a contract with us, either until he has enough to allow him to continue his studies or until he decides that the life insurance business affords him every opportunity to secure the remuneration he desires.

I might here say that we do not contract with these men while they are in the universities. We tried it, but it was a flat failure and we gave it up as a bad job.

Follow Practice Used by Many Large Corporations

Doubtless you are familiar with the practice of many large corporations which send their representatives to the large colleges and universities during the spring months to interview members of the graduating class. As a rule the seniors of the commercial or liberal arts courses are the only ones interviewed until there is a specific need for a graduate of a scientific course.

We follow the same group except that we do not attempt to make a general canvass of the senior class but get some contact or information about a few individuals whom we believe have the proper makeup to be successful in the insurance business. The reason we prefer the men from the commercial courses as better than other courses is because they have been studying economics, accounting, business, law, marketing and banking.

The suggestion I can give to those of you who do not live in a university or college town is that unquestionably in each of your territories you have institutions of this kind, and I believe it would be wise, if you are interested in these men, to get in contact either with the professor of one of these courses or

Hale—Farewell



Roy R. Hale, new southern superintendent of agencies for the Equitable Life of New York, and Harold C. Nolting, who retires from that office to head up the company's largest department, metropolitan New York. These two exchanged offices at the southern conference of the company held in Washington the two days prior to the convention.

the dean of the school of commerce or liberal arts.

Some Points on Which Selection Is Based

You will perhaps want to know what we base our selection on. These are several of the points that we believe are most essential:

First, we prefer the man who has had to make his own way through college or has earned at least a part of his expenses.

Second, we prefer a man who has played a prominent part in university activities such as college papers or as class officer. We do not care, on the other hand, to have a man who has been too outstanding in these activities. You know the type we are looking for as well as I, those who are the backbone and not always in the big type. Along with this, if he has been a member of the athletic team, so much the better.

Third, we prefer the normally average student to the brilliant student.

Reasons for Basis of Selection Explained

Since some of you will question these points, I will endeavor to give you our view. It has been our experience that the man who has had a little struggle—not necessarily too hard—to obtain his education, has learned something about the seriousness of life before he goes out to meet it. He expects to have to pay for practically all he gets. His mode of living is not so expensive, and he realizes that he must shoulder most of the burdens alone. At least he fights them out until he decides he needs help.

The activities these men participate in during their college years bring out the best in him, for they have made him learn to give and take and brought him to a realization that life is a 50-50 proposition if he is willing to be fair.

Average Athlete Most Likely to Make Good

We feel if he has made good in activities in an average way he has overcome some of his handicaps and has developed

some of his talents. If he has participated in some form of athletics, we think this is in his favor regardless of whether he was outstanding or not because in this field he has had good training, physically and mentally under the direction of a high type coach. Our experience has been that an athlete who was in the limelight in athletics is not the kind we care for. We most prefer the man who has been an average athlete, the man on the squad who has had to work hard for his position.

Just for instance, we had one man who was an outstanding football man. He thought everyone would flock to him, that he didn't have to follow instructions or to do hard work. We had another man who had won his letter in tennis after three years and he proved he had really gotten more out of his athletic career, more of the fighting spirit, than the man in the limelight. He had learned, first to play hard, second to play fair and clean, two of the essential things in life. Third, he has learned that in order to win he must overcome obstacles that appear almost insurmountable.

Athletics Help to Develop Fighting Spirit

In other words, we feel that athletics help to develop a fighting spirit, the kind that doesn't know it is beaten until the whistle blows.

We also find that the average student is more practical and can reach out in more directions than the brilliant student. The latter is one of two types. Either he is the bookworm type and is poor in meeting people, or he is aggressive and the know-it-all type, wants to tell you how to run the business and is unwilling to take instructions. If we can find a brilliant student possessing the proper qualifications we will be most interested in inducing him to enter our organization.

It has been our experience that in securing a man of average standards, average participation in college activities, possessing average scholarship, that we have picked a man who will excel in the life insurance business. So much for standards.

Have to Be Sold on Life Insurance Business

From my own short experience as manager, I have found most men have to be sold the life insurance business as a life work. Since it is so with college men, I will attempt to give you the procedure I follow. The sales talk, however, is practically the same for the college man as for the non-college man, and especially is this true for one who is considering working for a corporation. He has had an opportunity to work in many of the departments and has found how slowly advancement comes to the average young man. He has learned what the salaries were and has gotten a general insight into how limited his possibilities were.

We had a man who had left a corporation after he had been offered a managership in a foreign branch at a salary which most of us would not consider. Let us suppose I am in conference with him. Here is the way the conversation would run.

Three Avenues Open to Average Graduate

"Judkins, you probably have been considering working for one of the large corporations which you believe offers a good opportunity to a young man just starting his business career. I know you realize there are only three avenues open to the average college graduate. You have the possibility, first of a profession, second a business of your own, and third a corporation job.

"You are not qualified for the first. Therefore, you must choose between Nos. 2 and 3, a business for yourself or a corporation job. If you are going into

business for yourself, you must have capital to begin it. You must have this capital of your own or borrow it from someone else. You are going to risk your own money or money of someone else. Your chances of loss are fairly great."

Show Disadvantages in Other Professions

We usually show charts and figures which we have compiled. Even though the prospect isn't a professional man we have found it advantageous to tell him about the productive years of the average doctor, dentist, lawyer, and so on, showing how slow it is to work into fair incomes and how short the productive years may be in other professions. We have found these bear weight and help build up confidence in our business.

"Now Judkins, suppose you are considering working for one of the large corporations which you believe offers you a good opportunity. It is a splendid idea. A well-known corporation gives you an easy introduction to people with whom you wish to do business. The corporation has millions of dollars in assets. It has fine capable men to manage it. Your salary is assured you each month. You have a chance for advancement, but as a rule it is slow. You believe you will be happy in your work. You are not required to have any capital. So it measures up very well and I agree with many of its advantages.

"But I have something to tell you about the life insurance business which I believe to be one of the greatest businesses in the world."

Tells of Life Insurance as an Institution

Here we tell him something of life insurance as an institution; try to impress upon him that it is greater than any individual man or any individual company. It combines a set of companies. We tell him how the money is increased and other leading points which we know are of interest, then we will proceed as follows:

"I do not feel, Judkins, that we can rightfully call the life insurance business a profession. We must measure ourselves by other professional standards which require six or seven years of training before a man can practice his profession.

"It is now becoming a requirement in our business and we have taken definite steps in the past years. Therefore, we can not say, 'You are becoming a professional man.' You have the advantages but very few of the difficulties evidenced in working for a corporation.

Can Work to Almost Any Income Desired

"The company I represent is a corporation. Yet you can set your own salary and work to almost whatever income you desire. Men have been known to advance from office boy to president. It will depend on you, for in spite of the fact that you working for a corporation, you are in business for yourself. You direct your own movements. You set the hours you will work and the quota for yourself. A wonderful combination, is it not?

"You may not have been able to see the disadvantages so far but I am going to point them out to you. You are not going to make a great deal of money the first year but you will make as much as though you were working for a corporation and you are practically assured of success.

"Second, you are going to have to boss yourself. We will help you arrange your work. We will give you a schedule that is not hard to follow if you do it each day. If you are wise you will follow our advice, until you are satisfied you can carry on alone.

"Third, there are more failures in our business from the lack of industry than

Evening Chairman



JAMES A. FULTON, Home Life Presiding at Managers' Session

from any other cause. The most important thing for you to consider is whether you are willing to pay the price, because your success or failure will depend largely on how rigidly you will follow our advice. It isn't much different from any other vocation in that respect.

"Fourth, you are going to have a great deal of disappointment and it will take backbone to fight your way through. If you can't look the world in the face with a determination not to be downed, don't consider our profession. If you are willing to fight your way through success awaits you.

"Fifth, during the first six months there are times when your pocketbook will be pretty flat and it will mean economy during that time, but we can help you over emergencies if they don't occur too frequently. If you are interested in that future, we can fix up your contract and start instructing you as soon as you have your degree."

Advance of \$125 Per Month Guaranteed

We work out a minimum expense budget and guarantee an advance of \$125 a month, allowing the salesman the difference between this amount and the actual cash commissions he has received. The reason we have to do this is because he has left school with a few debts and it is necessary for him to have something to go on during that period. The reason we have arrived at the figure of \$125 a month is that most corporations, in starting college men, do not exceed \$125 a month.

Our experience has been when we have started a college graduate that it is wise for him to go into the field one week with the supervisor. We don't start him studying right away. This is opposite to what we do with non-college graduates. Our reason is that during this week's time in the field, the college man will organize in his own mind his course of study, allowing him to eliminate some of the set studies which he would have to go through. He gains experience so he can assimilate and classify the subject matter he gets from the field, in order to determine what matters need subsequent studying and reading.

Little Time Needed for Actual Instructions

When we start a new man on the course of study, we find it is not necessary to spend much time in actual instructions nor is it necessary to go into as much detail because he is already

(Continued on page 21)

Group and Other "Mass" Writings

**Armstrong Sees Them As Big
Factor in Second Hundred
Billion**

ONLY FRACTION COVERED

**Travelers Vice-President Discusses
Values of Employee Insurance—
Helps "Regular" Sales**

**By H. H. ARMSTRONG,
Vice-President Travelers**

Mr. Armstrong is agency vice-president of the Travelers, life department, in charge of the huge field organization of that company. He has been with that company since 1905 and has been at the home office since 1908. He was made assistant superintendent of agencies in 1911 and superintendent of agencies in 1924. He is a former head of the Life Agency Officers' Association and is very active in that organization.

Mass insurance played an important part in the building of the first hundred billion. I predict it will play an even greater part in the creation of the second hundred billion.

By mass insurance we mean insurance written to cover groups of individuals. The commonly accepted medium for this procedure is found in an agreement made between the insurance company and an employer of labor. Under the terms of this agreement, all of his employees, or all of certain classes, become eligible for the coverage afforded.

Mass insurance includes such forms as group, wholesale, pensions, and to a more limited extent, the form which we have designated as salary allotment. Group insurance is generally recognized to be the oldest, and is the largest of these several kinds.

First Group Policy Was a Big One

Group insurance is a development of the last 17 years. While there were isolated policies written on industrial groups earlier, 1912 is commonly accepted as the natal year of group life insurance. In that year, after conferences with many insurance actuaries, Montgomery Ward & Co. covered its 3,000 employees for approximately \$6,000,000. The prominence of this firm and the magnitude of the coverage immediately attracted the attention of both employers and life insurance companies. The year closed with a total amount of group insurance in effect of a little over 13 millions; at the end of 1915, it had increased to almost 100 millions; at the end of 1919 it exceeded one thousand millions; and today it exceeds nine thousand million dollars covering over 6,000,000 workers in 17,000 establishments. No form of insurance ever written can display a like record of phenomenal growth.

Benefits of Group Plan Are Listed

The benefits of group insurance are not subject to arithmetical calculations any more than are the benefits of so-called regular insurance. It must be left to the imagination to estimate what the millions paid in claims have meant to defenseless widows and orphans and to the communities of which they are a part. Consider please, that even now—

1. More than 40 per cent of all wage-earners carry no life insurance.
2. That those who do carry it have a

small amount—an estimated average of less than \$500.

3. That many employees can not obtain life insurance or only at extremely high rates because of their advanced age or occupational hazards.

4. That approximately 20 per cent can not obtain standard insurance because of impaired physical condition.

5. That many can not afford to buy anywhere near the amount they need and want.

6. That without group insurance about 35 per cent of all employees who die leave behind dependents in desperate financial straits.

Group Claims Often Exceed Entire Estate

My company has made a study of claim payments. It reveals that the payment of the average claim of \$1500 under group policies is larger than the amount of the estate left by 65 per cent of the wage-earners in this country. Out of an analysis of claims recently investigated, we have found that 5 per cent left no estate; 30 per cent left less than \$500 each; 14 per cent left from \$500 to \$1000; 21 per cent only left \$1000 or over. The average estate of this group was \$750. Through the medium of group insurance therefore, the estate of the average worker was increased 200 per cent.

There are approximately 45,000,000 workers in this country who earn in wages and salary \$47,000,000,000 or slightly in excess of \$1000 each. This computation is taken from the general statement that the national income is approximately \$90,000,000,000 and the reports of the federal census and the federal trade commission as to the number of workers and wages earned by them in a year. The group life claims of all companies will average approximately \$1500 each. This is almost half as much again as the average annual wage or salary income. Can your mind conceive the economic and social advantages that would be ours as a nation were the salary or wages of every individual projected for one year and a half after death?

Only Fault Is, Not Enough Is in Force

The only fault I can find with group insurance is that there is not enough of it in force, but if I read the signs of the times aright, that condition will change within our generation. I confidently look forward to the time when all concerns, large and small alike, will be so insured. The reason for my optimism is based on solid fact. Less than twenty years have passed since group insurance was originated. The number of concerns which have adopted group insurance, and then for some reason or other have given up the coverage, is so small comparatively as to be almost negligible. This is due to the fact that both employers and employees do appreciate it. Employers appreciate the value of group insurance, for they realize that it is good-will insurance and helps to bridge that gulf which, with the increased number of employees, may grow up between capital (so-called) and labor. Group insurance did not originate in the brain of an insurance theorist. It is the answer of insurance companies to the demands of those who work and those who direct work. Its secrets have been wrested from an atmosphere of shops where man meets man. It is an economic necessity, and economic necessities always have a way of finding supply.

Thomas Carlyle on Industrial Relations

In his essay on "Captains of Industry," Thomas Carlyle wrote, over 100 years ago, as follows: "Love of men can not be bought by cash payment, and

without love men can not endure together. Your gallant battle hosts and work hosts will need to be made loyally yours. They must and will be regulated, methodically secured in their just share of conquest under you, joined with you in honorable brotherhood by other and deeper ties than those of temporary wages."

Contentment—loyalty—these were the ties Carlyle meant. Written at a time when the great industrial revolution was getting fully under way, when the employee was no longer apprenticed to the employer to live under his roof, eat at his table, and share in his homely pastimes, Carlyle saw the breach that was bound to arise because of the factory system. The thinking employer of today is using every means available to get back to a semblance of that original family relationship. His efforts find expression in playgrounds for employees, employee outings, free medical attention, sanitary housing, common eating halls in which good wholesome food is available at moderate cost, profit sharing, and group insurance.

Cost Is Fair Charge on Business Operations

To know what employers themselves think of group insurance, I refer you to some of their unsolicited opinions. The late Theodore N. Vail, then president of the American Telephone & Telegraph Company, said of group insurance: "The benefits under our plan are not required by law but we believe it is no more than simple justice that the men and women who devote their working lives to the telephone service should be assured of some income when they are sick or come to old age—and that some immediate provision should be made for those dependent upon such workers when they die in the service. If justice demands this, its cost is a fair charge against the business, and we do so regard it."

Report of Committee of Employers

The National Industrial Conference Board, representing outstanding employers of labor in this country, appointed a committee to study this subject. The report of that committee has been published in booklet form entitled "Industrial Group Insurance." It would pay you to procure and read it. The booklet tells exactly what industrial group insurance is and what employers have found that it does. Its chapter on "Experience of Industry with Group Insurance" contains the following interesting statement: "Although group insurance has been in effect a relatively short time, it has, nevertheless, some definite accomplishments to its credit. * * * Companies which expressed an opinion on the subject, agreed almost unanimously that group insurance was a great help to the employees and their dependents. In many cases where homes and families would have been left in a difficult position, group insurance claims paid shortly after the death helped to pay funeral expenses and left a sum sufficient to sustain the dependents until they became adjusted to the new conditions."

Advantages to Employee Are Pointed Out

"Group insurance has relieved many workers from this source of worry and has tended to make them more contented and to that extent better workmen. It has relieved many of them of contributing whenever the 'hat was passed' to take up a collection for the dependents of an employee who was injured or had died. It has taught many employees the value of insurance, so that they carry more protection than they did previously. And in order to pay the cost of this additional insurance—or their share

Urges Mass Sales



**H. H. ARMSTRONG
Vice-president Travelers**

of the cost in a contributory plan—they have been led to give greater attention to saving." And so on for several pages you can find the endorsement of group insurance by this committee of employers.

In the paragraphs which I have just read was made mention of the contributory payment plan. Perhaps a word of explanation may be in order.

Definition Given by Insurance Commissioners

Group life insurance is regulated in accordance with a definition given in 1918 by the National Convention of Insurance Commissioners. This definition has been accepted as authoritative by insurance companies and has been incorporated in the laws of many states. In essence this provides that life insurance may be taken on a body of fifty or more persons in the service of an employer with whom a contract is made. Medical examination may or may not be required. All of the employees, or all of certain classes, according to the conditions of their employment, may be insured—and the amount of insurance must be based upon a plan which will preclude individual selection. If the employer pays the entire premium, all eligible workers, or all in a specified class are to be insured. However, if the employer and employee are to share the cost, and if the privilege of insurance is offered to all who are eligible, no policy may be issued unless at least 75 per cent of the qualified workers accept the plan. This latter is what is known as the contributory plan of payment.

Acceptance by Employees Is Always Certain

I could give you many concrete proofs of the appreciation of group insurance by employees. One alone must suffice. It is obvious that when the cost is to be borne by employer and employee jointly, the solicitation of individual employees becomes necessary. In my company this work is done by salaried men who are schooled in its operation. The significant fact is that when we have secured the permission of the employer to solicit the employees, it is always a foregone conclusion that we shall obtain considerably more than the required 75 per cent. This is not mentioned as evidence of the super sales ability of this salaried staff, but as proof positive of the desire of

employees to secure this protection when its benefits are made available to them.

Is Bulwark Against Cumbersome State Plans

The following interesting editorial is found in the July 22 issue of the "Journal of Commerce":

"It is estimated that the cost of group insurance represents an addition of only 1 per cent to the payroll when the employer defrays the cost entirely. On the contributory basis, the cost to the employee in New York State represents a weekly payment of only 14 cents for each \$1000 to the worker.

"Notwithstanding the rapid spread of this insurance, it still covers probably no more than a quarter of the entire number of persons who are eligible for similar protection. Its spread would offer one of the most effective answers to the insistent demand for state-aided or compulsory imposed plans for various kinds of industrial social insurance.

"Although group insurance can not make provision for all workers who need protection, it has already demonstrated the ability of large sections of industry to make reasonable provision for the hazards of life without involving the state or the taxpayer in costly and cumbersome schemes of social insurance."

President Hoover, while Secretary of Commerce, said: "We must enlist the interest and confidence of the employees in business and in business processes. A definite and continuous organized relationship must be created between the employer and the employee. By the organization of this relationship, conflict in industry can be greatly mitigated. Misunderstanding can be eliminated and a spirit of cooperation can be established that will advance the conditions of labor and secure productivity."

Other Forms of Mass Insurance

Closely paralleling the features of group life insurance is a form known as "wholesale" which was designated to cover a smaller number of employees under a blanket agreement than would be permissible under the statutory requirements for group. By this means, not less than ten or more than forty-nine may be so insured. Each is covered by a renewable one-year term contract. The employer may pay the entire premium or it may be shared jointly with the employees.

While this form is in no sense comparable to group in so far as its volume of coverage is concerned, it has played, and I believe will continue to play, a considerable part in swelling the volume of mass protection figures.

Sick and Accident Rounds Out Protection

Closely allied with group life and wholesale insurance is group accident and sickness insurance which, as the name suggests, is designated to cover losses due to disability. A generally accepted legal definition for group accident and sickness insurance has not been devised. But it is the practice of insurance companies writing it to conform closely to the group life requirements except that the minimum number of lives required is twenty-five instead of fifty.

While it is a commonly accepted belief that group accident and sickness insurance is an outgrowth of group life, and is, therefore, a comparatively new development, such in reality is not the case. The Travelers has been writing this form under the name of workmen's collective since 1890 and four period accident since 1878. Doubtless other casualty companies can point to a similar experience.

For years there has been a feeling among certain of the life insurance fraternity that disability insurance,

On the Scene at Washington



CHESTER O. FISCHER, St. Louis
Massachusetts Mutual Life



P. M. FRASER, New York
Connecticut Mutual Life

especially as it applies to temporary losses, has little or no place in the usual life insurance program. We have never held that viewpoint. The whole purpose of life insurance is to project a man's economic value into the uncertain future. It is designed to replace the earnings that have been stopped by death. The losses due to death, of course, can come but once, but the losses due to disability may be of frequent occurrence, and when they come the entire family suffers. We believe accident and sickness insurance the proper counterpart of group life insurance, and we confidently expect that such will be the general opinion not long hence.

It was but natural, therefore, that we should offer accident and sickness insurance under the group plan to round out the group protection. The reception by employers and employees alike, expressed by its rapid growth, not only through the medium of our company, but of all companies that write it, substantiates our contention.

Only 10 Per Cent Sustained at Work

That group accident and sickness insurance is needed can best be proved by a few facts. Careful investigation has disclosed that in non-hazardous industries 10 per cent of all disabilities are due to accidents sustained at work; 5 per cent are due to accidents sustained away from work; and 85 per cent are due to illness. Therefore, it offers protection for 90 per cent of all disabilities, for it pays indemnity for all accidents sustained while away from work and for sickness due to any cause. Workmen's compensation is required by law in most of the states and takes care of occupational accidents. One in four of all workers are disabled either from accident or sickness each year. The frequent payment of claims within any group of even moderate size serves to emphasize continually the value of this form not only to the recipients of its benefits, but to other wage earners as well. Doubtless this fact more than any other is responsible for its increasing popularity.

Group accident and sickness insurance need not of necessity be placed in force in conjunction with group life insurance, although that is the usual procedure. We have found that offering group accident and sickness insurance in conjunction with group life insurance has been a very effective means of consummating the establishment of the general plan. I, therefore, have

mentioned group accident and sickness insurance to show the part that it played and is bound to play in the matter of the mass production of life insurance and its resulting contribution, therefore, to the second hundred billion.

Group annuities, or pensions, is a plan by which an employer or an employer jointly with his employees, may purchase annuities for the employees under a group annuity contract issued to the employer. Such retirement annuities are payable commencing at a certain specified age. Group annuities are a comparatively new form of group insurance and are an interesting and valuable addition to the general subject of mass insurance. It furnishes the agent an opportunity to provide a complete program for all types of employees as well as to secure adequate remuneration for his own efforts.

Wishing Started Salary Allotment

Ideas which form the basis of great undertakings are often inspired by chance observations and experience. Some ten years ago a clerk in our medical department at the home office told one of his associates of the difficulty he was then experiencing in paying his life insurance premium which was then due. He expressed the wish that the company might deduct a proportionate amount of his premium each month from his pay check. This conversation was repeated to an official in the life department, and forthwith, in 1920, the plan then called payroll deduction life insurance was offered to our salaried employees. It was popular from the start. Later the plan was offered to the public under the name of salary allotment and won immediate favor.

Salary allotment is not mass insurance in the same sense as are the other forms which I have mentioned. It is individual life insurance with policies and premiums identical with those generally offered. The only mass element is found in the matter of prospects for the coverage. But because of this feature alone, I believe some reference should be given to it here.

Offers Great Chance for Development

Salary allotment, or salary savings, or by whatever name it goes, seems to offer great possibilities for development. It applies to life insurance a method which has been in successful operation in the accident insurance field for over fifty years.

Most employees living within the margins of a salary or wage need more

insurance than they can afford to purchase under the customary plan. No matter how little or much the employee may feel the need for family protection and a savings fund, other expenditures have a way of crowding the thrift dollar out of his budget once he receives the money. To most employees any month is the wrong month to pay a life insurance premium on annual basis. And it becomes a real problem to accumulate the premium month by month. Salary allotment enables one to carry more insurance simply by making it easy for him to do so. The insurance premium is made the first item in his budget, as is proper, and his deposits are made for it just as he receives his money. In fact, it makes a definite tie-up between the amount he can spend and the needs that exist.

Wrong Methods Have Discouraged Some Agents

The employer also has a selfish interest in the plan. By offering a service that his employees want, he makes working conditions in his organization more attractive than elsewhere. It tends to create an organization of people who are saving and thrifty. It affords him the satisfaction of being able to do something for his employees which they can not do for themselves—and at little expense.

Life underwriters seized upon the salary allotment plan when it was announced as if it were a new discovery and in their enthusiasm applied it where it should not be applied and in ways in which it should not be applied. Many consequently destroyed their own enthusiasm and some even destroyed their faith in the plan—but they did not destroy its value. It can, and I am sure it will, play considerable part in the production figures of the future.

Mass Insurance Depends on Agents

The part that mass insurance will play in the next hundred billion is, of course, conditional upon what you agents do about it. It may be that some of you have a definite prejudice against personal participation in the sale of any of these lines. This may be due to the trouble involved in seeing so many people before the case is finally closed, or because the rate of commission seems low. Many an agent has held that opinion until he has closed his first case. Then he has discovered that many a medium sized group case can be closed with the same amount of effort required for a medium sized life policy, and by much the same argument. He has found that a small percentage of a large premium produces a larger commission than a larger percentage of a small premium. Finally he has demonstrated that the writing of mass insurance helps rather than hinders the production of regular lines.

Important Contacts Have High Value

In an agent's solicitation of a case he comes in contact with at least one important executive of the firm. If he makes progress he explains the plan to others, and not infrequently he may have to appear before a board of directors. In the minds of some agents that is the fault in mass insurance; too many people to convert. It is one of the chief advantages—the opportunity to talk business to worthwhile people who are usually hard to approach if on individual or business life insurance.

It is worth something to any life insurance salesman to have the acquaintance of the president, the treasurer, perhaps several of the vice-presidents and possibly members of the directorate of a prosperous business concern.

Life insurance on the executives of directors of a company through com-

(Continued on page 19)

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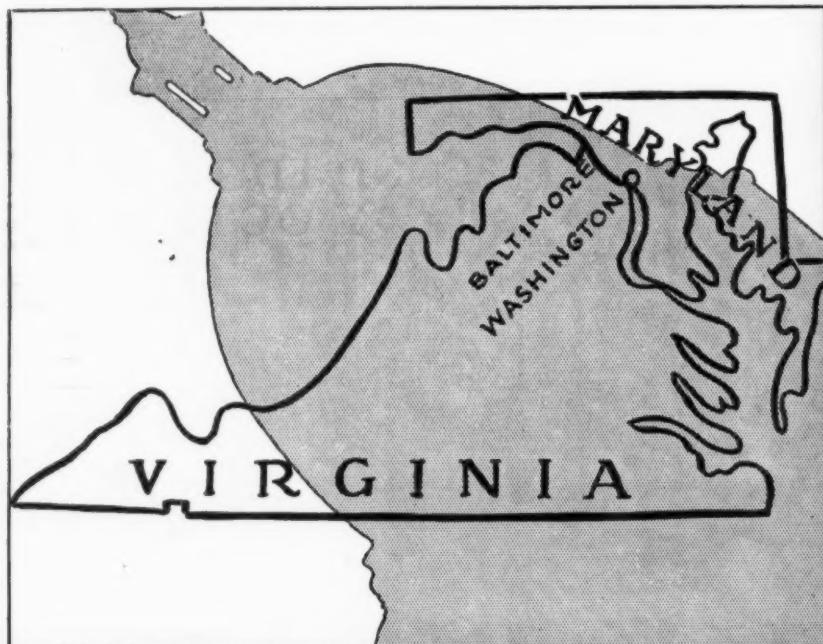
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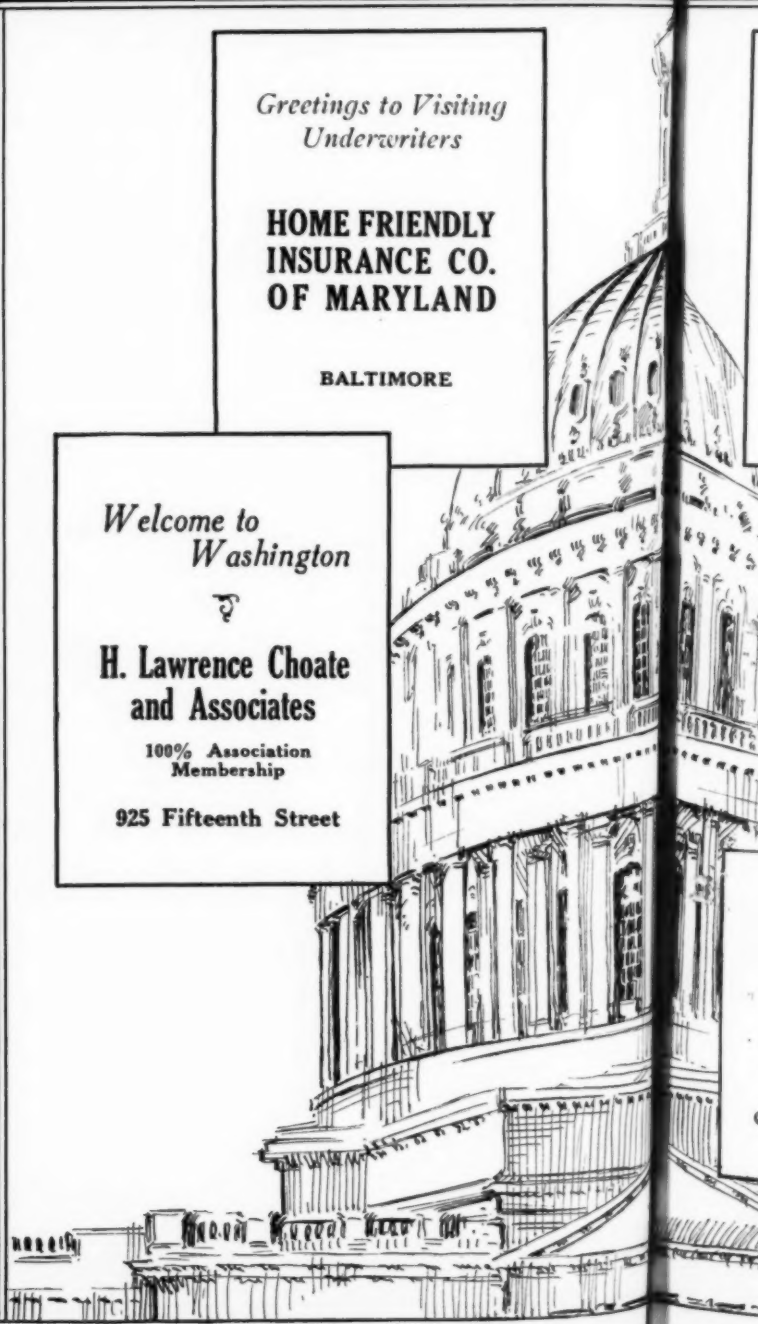
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THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Huebner Reports on C. L. U. Work

(Continued from page 4)

Involves the following seven features: (1) Distribution at frequent intervals to the insurance press of information relative to the college; (2) Localized news releases to daily papers in every city having successful candidates, giving the names of such candidates as well as information concerning the significance of the C. L. U. designation; (3) A proposed booklet covering the aims, achievements, regulations, etc., of the college and a directory of all candidates who have passed the examinations, which will be given wide circulation among interested persons; (4) Notification to life insurance companies as to the names of their representatives who have passed the examinations with the suggestion that due notice be made of this achievement in company publications; (5) Preparation of special articles for various publications dealing with the aims and activities of the college; (6) Promotion of recognition by educational institutions of the C. L. U. designation in their bulletins, as well as insertion of other information relative thereto; and (7)

Distribution to all insurance papers of the composite answers to the examination questions, so that they may be used in studying some of the important subjects covered by the examinations.

Next Examinations Will be in June

Semi-annual examinations have been discontinued, and henceforth there will be but one examination each year in the latter part of June. Although the last June examination showed a gain of approximately 200 percent over previous ones, all indications point to a much larger number of candidates for the next June examination. As previously stated, ninety-three approved applications are already on file with the board of Admissions. Some 300 inquiries by mail, seeking information about the examinations (and coming from 29 states and 64 cities), are also on file, and there is scarcely a day that does not bring one or two new inquiries.

The work of the college is necessarily cumulative in results, i. e., much of the early work does not materialize until later, especially since the examinations require a very considerable period for proper preparation. The number of inquiries is very much larger than was

the case with previous examinations. An increasing number of companies is emphasizing the importance of the examinations to their personnel. More and more universities are joining the list of those who are cooperating with the college in the complete or partial establishment of the C. L. U. program. The college is also establishing closer contact with local life underwriters associations and an increasingly large number of study groups is being organized for those qualifying to take the examination. Our college alumni have now reached the hundred mark, and will be effectively organized in promoting the welfare of the college. Just as universities grow mainly through the efforts of their alumni, so our college will some day grow mainly through the efforts of its alumni, who appreciate what has been done for them and who wish to see others in their calling equally benefited. The dean's office will pursue the slogan: "Each C. L. U. must get another C. L. U. applicant for the next examination." If this is done, the present one hundred will mean a new one hundred. I always hesitate to prophesy, but all of the aforementioned factors indicate at least three hundred candidates for the next examination. After that the momentum will be such that nothing can stop our college from reaching its desired goal of widest usefulness.

Educational Prerequisites and Other Standards

With reference to the subject-matter covered by the examinations, but few changes have been made during the past year and I shall not trouble you with details. All of the present set-up will appear in the new booklet to which reference has already been made. Attention should, however, be called to the fact that the text book material in economics has been selected with reference to emphasis of economic problems; also that the examination in English will be combined with the writing of the answers to the questions in the third examination, instead of being given as a separate test.

During the past year the examination questions were prepared by a board consisting of six members, each of whom was a university teacher of one of the groups of subjects covered by the examination, and most of whom were conversant with life insurance. All papers were graded by two qualified graders, independently of each other, and where there was doubt as to the passing quality of the paper, by a third grader. All papers were indicated only by numbers, so that no grader knew the writer's name. In all respects, the practices of other professional examinations were followed. In the course of the coming year, it is my hope that a comprehensive syllabus of the subject matter of the examinations may be prepared for the better guidance of candidates.

High School Requirement Was Necessary

The educational prerequisite of high school graduation for permission to take the examination has given us considerable trouble. We had to insist upon this prerequisite if our college was to have any standing with American institutions of learning, and if the C. L. U.

Raises Money



WILLIAM M. DUFF, Pittsburgh Secretary American College

designation was to enjoy the dignity of the C. P. A. and other professional recognitions. I am happy that we have convinced our leading opponents as to the wisdom of our stand in this respect. We would simply be nowhere if we had done otherwise. The first inquiry of any institution of learning concerning our college relates to the prerequisite Accounting and other professions follow this requirement for their examinations. Our most prominent alumni are also insistent that there must be no wavering in this respect. Last March Congress passed a law for the licensing of institutions of learning, organized in the District of Columbia, for the issuance of degrees, and one section provides that "applicants for said degree must possess the usual high school qualifications at the time of their candidacy thereof." This legislation is a recognition of the tendency of the time and will likely be a model for similar legislation elsewhere.

Course to Overcome High School Lack

Yet there are underwriters who, not having had the opportunity of a high school education, are desirous of meeting the C. L. U. requirements. A considerable number have asked us to make arrangements whereby they may meet the high school prerequisite through home study. Any person interested in the matter should write to Professor A. M. Spalding, registrar of the college, who will furnish him with a statement setting forth the admission standards established by the American College, as constituting the equivalent of a four-year high school course. Information will also be supplied as to the various means by which these may be met. The home study department of Columbia University has developed courses toward this end. Possibly other universities may do likewise, but thus far Columbia Un-

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versity alone has offered definite arrangements. I do not wish to trouble you with details, except to say the required subjects have been carefully selected to conform with the best college standards, and that the list is as liberal—as flexible—as it is possible to make it. The examinations must be taken in each state through the regular channels available for the purpose. But should any one of the allowed subjects in our plan of requirements be elected by the candidate and not be covered by the examinations available in any given state, the American College will arrange for the taking of an examination in that subject at the time and place of the regular C. L. U. examinations.

Legal Situation in District of Columbia

On March 2 of this year Congress passed a law requiring all degree-conferring institutions to be licensed by the board of education of the District of Columbia, and forbidding any such institutions, when organized in the District, to "use as its title in whole or in part, the words United States, Federal, American, National, Civil Service or any other words which might reasonably imply an official connection with the government of the United States or any of its departments, etc." Being chartered in the District, it became necessary to apply for a license, and the officers of the college submitted the fullest information to the board of education. Failure to receive a definite decision thus far has been responsible for the inability of the college to confer legally the C. L. U. degree.

Through conference between the president, dean and counsel of our college and members of the committee of the board of education appointed to examine credentials it appears that we may not receive a license. We were advised by those in attendance that there is no questioning of the high motives behind our college and the need and inherent usefulness of the institution. All were also fully convinced of the thoroughness of our educational standards and the acceptability of our officers and directors. The problem, as it was explained to us, is a purely technical one, i. e., we are faced with a double technicality; namely, our name (since it includes "American") and the use of the word "degree."

Board Does Not Recognize Non-Teaching Colleges

What is a "college"? and what is a "degree"? seem to be the questions confronting the board of education as far as our college is concerned. It seems inclined to answer both in a rigid sense. Our college, we were told, is not a fixed institution with classrooms, plant and faculty, and the law according to their view contemplates only that type of institution for degree-conferring purposes. Again, we were told that the committee feels disposed to recognize only the customary collegiate degrees, such as the bachelor's, master's and doctor's degree. Our degree was an unusual one from their point of view. The committee advised that they did not recognize as de-

grees the C. P. A., actuarial, and similar designations, high as they are, and did not see how they could act differently with respect to the C. L. U. designation.

What the outcome will be and just what we will do, I am not definitely prepared to say. We do not, of course, agree with the aforementioned contentions. We believe that our college is an institution of learning, although it is impossible as well as subversive of our purposes to operate in one place with classrooms, plant and faculty. For the greatest good we must operate through existing higher institutions of learning as far as the instruction is concerned, and through regional examination centers for the conduct of our examinations. As regards our name, we believe that the law cannot be retroactive. Again, a "degree" is defined in standard dictionaries as "a grade or rank to which scholars are admitted by a college or university in recognition of their attainments," and it does seem a pity that various professional designations, well known to be equivalent in grade or rank of attainment to a bachelor's degree, should be excluded from the fold.

May Have to Drop the Word "Degree"

Whatever the outcome, I feel that we should not be overly concerned. Our educational standard is high. It has been suggested to us that if we drop the word "degree" we may operate as before without coming under the jurisdiction of this law. This may probably be

the course we shall have to pursue. If so, it will be largely a distinction without a difference. It is true that the C. P. A., actuarial, and similar designations are not legally regarded as degrees. Yet the standards of attainment behind these designations are such as to make the holders thereof as proud, and often prouder, of their attainment than they are of the possession of a bachelor's degree. Everybody regards them as the equivalent of a degree and speaks of them as degrees. The same is true of the C. L. U. designation and we need not waste time over a word. If we must drop the word, it would mean nothing in reality. Our standards will not be altered one iota and holders of the C. L. U. diploma will have reason to feel the same pride as they do at present. A professional designation, irrespective of any particular name, will live and be esteemed in proportion as the standards of attainment are high.

Meaning of College to Future of Life Underwriting

If universities and colleges recognize the C. P. A. and actuarial designations, as they do, and allow their faculty members to affix the same to their names, along with the bachelor's, master's and doctor's degrees, then I see no reason why they should not accord the same privilege to C. L. U. holders.

The aims and professional standards of the American College have been fully set forth in its literature and need not again be given in detail. Life underwriting is essentially a vocation of ideas



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Investigate the above substantial factors of the Michigan Life Insurance Company and you, too, will want to represent this fast-growing Michigan company.

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and expert knowledge. It is a service of a high order, and service is more than mere honesty. Service means honesty plus knowledge, and the knowledge aspect is being recognized more and more by the intelligent public, and the public is becoming increasingly intelligent with respect to life insurance needs and the character of life insurance service.

The big future development in life insurance will be in the field of business, estate and investment insurance, a truly complicated service which requires of the underwriter a fund of knowledge. The efficient underwriter needs a broad business education—including economics, commercial law, corporation finance, banking and credit, and investments—in addition to a life insurance training if his mind is to be on a parity with that of the business man whom he is seeking to influence and help. The C. L. U. program covers just those subjects in addition to life insurance and life insurance salesmanship. The underwriter's situation is comparable to that of the accountant, whose profession recognized years ago the need of a comprehensive business education (in connection with the C. P. A. examinations) and thus pursued a course similar to that which we have adopted.

Comparison With Experience in Accounting

Starting over a quarter of a century ago the accounting progress has resulted in about 6000 certified public accountants for the United States. The great majority of accountants will never be certified. The great mass of small tasks will continue to be performed by the rank and file of accountants. But let there be a difficult task, and the business public has been educated to the belief that a C. P. A. is necessary in the interest of efficient service. The life underwriting profession will afford a similar showing before many years. The great majority of underwriters will probably never be Chartered Life Underwriters. But let there be a difficult task, and the business public will again realize the wisdom of entrusting the same to those whose earned designation indicates their fitness to render expert service.

In the last issue of the "Manager's Magazine" of the Life Insurance Sales Research Bureau, H. G. Kenagy of the bureau, has contributed a wonderful editorial under the caption "Why the C. L. U." He asks these questions: "Should managers urge their agents to undertake the serious task of acquiring the degree? Should they assist their men to qualify by forming study groups and by maintaining a library of the approved volumes? Should they themselves seek to become Chartered Life Underwriters?" The first two questions, I feel, can be equally well directed to company officials, who ought to support the college because they should have at heart the elevation of their field force.

Powerful Influence of the College

Mr. Kenagy answers all questions by "yes" on the ground that "success, self-improvement and power come from ability to apply knowledge to the problems of life." He gives three excellent reasons for his conclusion, and states them so splendidly that it would be a mistake to recast the wording. I shall therefore quote them:

"(1) If life insurance is to secure increasing public favor, its representatives must be able to give truly professional service and those who are qualified must be easily distinguishable from mere 'policy peddlers.' The college is a step in this direction.

"(2) The truly successful underwriter must take a professional attitude toward his work. Qualifying for the C.

Reports Surplus



ROBERT L. JONES, New York
Treasurer National Association

L. U. stamps him as an agent who adheres to the highest ideals of underwriting practice. He thereby publicly sets for himself standards of work to which he is thereafter obligated.

"(3) If the life insurance business is to compete successfully with other lines of business, it must be able to attract men of the highest type of character and ability. It must be known as a business which recognizes (as well as compensates) men of character and capacity. The American College of Life Underwriters can become a potent factor in attracting men of superior qualifications."

Some of Those Who Failed Prepared Hastily

In the latter part of his editorial, Mr. Kenagy advises against any cramming process to pass the examination and mere exploitation of "the presumed money value of the degree while making no effort to improve his underwriting practices." Mr. Kenagy is entirely right in his view. Such tactics do not further the purposes of the college. Personally, I am convinced that few of those who have passed the examinations have acquired the necessary knowledge except through painstaking effort over a long period of time. I am also convinced that practically all, because of their efforts, have acquired the wish for continued study, appreciate the greater obligation resting upon a life underwriter, and intend to keep the professional poise which they signed on the college's application blank. But among those who failed the examinations it is clear that a considerable number appeared to have prepared hastily. This is most unwelcome and it would be better to have fewer applicants under proper conditions than more under false assumptions. The examinations are not easy, and few indeed will ever pass through any cramming procedure. I wish to emphasize that no candidates are desired who have not actually studied with care all of the assigned subjects, and this cannot be done except over a considerable period of time, sufficient to allow for the proper mental assimilation of the knowledge for practical application. If candidates will bear this in mind and will regard the C. L. U. attainment as a certification for expert service and continued study, there can be no doubt that before long the American College of Life Underwriters will be regarded as one of the greatest movements ever initiated by the National Association of Life Underwriters.

Group and Other "Mass" Writings

(Continued from page 10)

facts made while soliciting these forms is one of the several important by-products of mass protection.

Ford Did the Selling for Entire Industry

Two automobile manufacturers were talking about the debt the whole automobile industry owes to Henry Ford. One of these men made this statement: "The old Model T Ford car has done more to sell high priced cars than all the advertising and sales activity of all the other companies. In a way it was a sample car initiating millions into the convenience and pleasure of motoring and arousing their desire for something more expensive in the way of an automobile."

Group life insurance is doing much the same thing with millions of wage earners and salaried men today. It is serving as a sample of life insurance, arousing interest in life insurance itself

by demonstrating the value of this protection. Perhaps the words of one of our agents will convey this thought to you better than can the general statements I may offer.

Agent Willing to Pay for By-Products

"The foundation of my success," he writes, "is group insurance. Three weeks after I was appointed an agent I closed my first group case. Within the next 91 days I closed four others. Initial premiums on those five group cases were \$3,431. In the six years that those five companies have been on my books, and by following up all the by-products that can be developed from a group case, I have increased that \$3,431 in premiums from five companies to \$23,171.10.

"In the past six years I have written twenty concerns for either group or wholesale. These 20 concerns paid me last year \$52,567 in premiums in all lines. These 20 concerns employ approximately 700 men. Therefore, my average premium return was \$75.85 per capita.

"I would be glad to take all the group cases I could get without any commission provided I was allowed to write

the by-products. As a matter of fact, I could well afford to pay for group cases if I could have the by-products."

Life insurance has long been recognized as humanity's greatest boon. The backbone of a nation is its workers. Mass insurance brings this boon to the workers. Its benefits are immeasurable and almost beyond comprehension. I commend it to your attention.

Canadian Delegation

The delegation officially representing the Life Underwriters Association of Canada consisted of Hugh Cannell of Montreal, president of that association and honorary vice-president of the National association; L. W. Dunstall, secretary of the Canadian association, and Eric V. Chown, field supervisor. In view of a change in official titles during the past year, these officials were incorrectly listed in previous references to them.

The reception in the grand ballroom of the Mayflower Wednesday night in honor of President Paul F. Clark was very largely attended. It was followed by an illustrated lecture by Charles Colfax Long, on "Washington from Dawn to Dusk."

Life Insurance Leaders At White House Luncheon

An unusual honor was accorded the life underwriters in attendance at the convention by the tendering of a White House luncheon by President Hoover to a group of eleven association and company leaders Thursday noon. Those present with Mr. Hoover for the occasion were: President Paul F. Clark and Vice President S. T. Whatley of the National association; Julian S. Myrick, chairman of the executive committee; Thomas I. Parkinson, president of the Equitable Life of New York; Walton L. Crocker, president of the John Hancock Mutual Life; Frederick H. Ecker, president of the Metropolitan Life; Harold A. Ley, president of the Life Extension Institute; John H. Russell, member of the executive committee of the National association; E. J. Clark, president; Dr. S. S. Huebner, dean, and William M. Duff, secretary, of the American College of Life Underwriters.

Dr. Charles J. Rockwell, well known life insurance educator and a speaker at several former conventions of the National association, was in attendance at the Washington meeting.

MANAGERS WANTED

The men we want do not generally answer an advertisement of this kind. We have managers' positions open in Alabama, Mississippi, Louisiana, South Carolina, and Tennessee which pay, in addition to all office expenses, liberal salaries, overridings, commissions, bonuses, and renewals.

This may be your opportunity to express your sales and organizing ability beyond that afforded by your present connection.

You can write us with the knowledge that all communications will be kept in strict confidence.

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THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published Every Friday by the NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. C. M. CARTWRIGHT, Managing Editor. PUBLICATION OFFICE, Insurance Exchange, CHICAGO.

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We issue all standard forms of old line, legal reserve, participating annual dividend policies. Our net cost is on a low competitive basis. Every policy we issue may be sold with premiums payable annually, or in semi-annual, quarterly or monthly installments, from the first year on. We have had 32 years experience with monthly premiums and have the necessary equipment to handle such business.

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Why not Serve and Succeed with The

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WM. SCHMIDT, Vice President
CHAS. J. REIFLER, Vice President

L. M. DIXON, Secretary
C. L. SIMMONS, Treasurer

One Session for Agency Leaders

(Continued from page 7)

problem which hits a great many young men of the finest education and who meet the qualifications of having worked their way partly through college, of having participated in the college activities, who have the finest upbringing, the finest breeding, and who I know, if they were kept in that business during the initial period, would be shining examples of success in a great institution for the welfare of humanity.

Five Basic Problems Are Encountered

These are the problems that confront me, and the employment manager in the school, and the head of the employment division has told me that unless something is done, they cannot participate as they would like to in recommending young men to go into the life insurance business. And my feelings have been somewhat hurt. Here are some of the problems; there are five of them. I can merely mention them.

"First is the problem of selection.

Other business enterprises, a great many of the leading corporations, have adopted a definite policy of selection. They come to school and survey the seniors most carefully, their home family records, their whole record at the school, and we keep reports from all the teachers every term on some 25 points just as the business house does. They send their experts at selection to us. We have a special room for the purpose and the students are interviewed and they are selected carefully. That is their job.

"But after the student has been selected they seem to be disposed to back up their selection. They have confidence in themselves; they regard the human factor as the essential investment in their business, and they are willing to put a little money into that individual to tide over what everybody knows is for that humble student a period of six months or even one year straight.

"And many a young fellow who has made up his mind to go into the life insurance, has studied that subject, to my horror and surprise, is gotten by these corporations. And when I ask why, he will tell me about that period of 'strain' and how the other fellow has

offered a definite proposition to take care of that period.

"A second proposition put to me—hundreds of them—is this: A young man must have enough finances to take care of himself for one whole year. Well, only the sons of fathers who are in the life insurance business seem to have the finances. A great majority of the good boys are those who work their way through in part. They even may have a few debts to pay. Their mind is troubled financially. That \$125, the first four or five or six months, looms very large. They are really not masters of themselves. They have a feeling prompting within them to make a selection which is very unwise possibly for the future, but which after all determines the matter and the life insurance business loses that man.

Insufficient Guidance Often Kills Chances

"There is a third problem. Quite a number of our students are approached and a program is presented. I know that the previous speaker carried out the program. The student connects himself and then later on he comes back to me and tells me that he hasn't seen very much of that program. He got to the office and he was shoved into the

swim, was given a rate book, blessings, and out he went into the vortex of business life with which he was not yet acquainted and he soon arrives at an inferiority complex. He loses his grip and goes out of the business, whereas if he could have been retained a little longer, I know that fellow would have made a big success.

Need to Start In on Ground

"And then, lastly, there is the problem which I hope will be remedied. You have no idea how many letters I get from friends and they mean well. They haven't thought about the matter which runs about as follows: 'Will you kindly give me the names of the graduates you have had who have been out of your school for two or three years and who have demonstrated themselves successfully?'

"Now, we can't answer those letters. Every last corporation that comes to us has exacted a pledge from the school that we must not give the name of any man whom they have engaged. They regard that man as an investment. They are putting money into that man and they do not want that man taken from them. I wish that point were borne in mind. Every business, if it desires these college men, should do its part in the process of development. It will not do for other business enterprises to do the developing and then to have the cost of that development redound to the benefit of another calling.

Great Work to Be Done by Life Men

"Now I hope you don't regard me as criticizing. I don't criticize. I believe in evolution and I see things changing. There will be big changes. There are already. General agents and managers who are taking a different point of view, who have put definite propositions to use that I feel meet the issue. The problem really is \$125 say for the first four or six months, during that straining period with commissions being credited against that sum.

"After all, the greatest investment in life insurance is not property; it is the human element. That is the only real concrete asset there is in life insurance. And it seems to me that to get the college men in larger numbers and to keep them there means conservation by way of a little investment in those early months when the best man finds himself the possessor of a lean pocket book and with a mind which is trained.

"Life insurance has been going on the slogan that it should receive its proper share of the consumer's dollar. As I look into the future I am wondering if a slogan isn't always assumed to be that life insurance is to get its proper share of the educated and the trained personnel of the nation."

Youngstown Delegate Injured

C. W. Stillson of Youngstown, O., an agent for the Midland Mutual Life, who was attending the convention, as a delegate from the Youngstown association, was critically injured Thursday night when he was struck by a taxicab. He sustained fractures of the left arm and leg and possibly a fractured skull.

Mrs. E. J. McCormack, of Memphis, convention hostess at the Memphis meeting two years ago, who has been adopted by the National association as a member ex-officio, and her two handsome boys accompanied Mr. McCormack to the Washington meeting. The youngest of the family, the convention baby at the time of the Memphis meeting, did not make the trip.



Central Life's 33 years of steady, substantial growth is attributable to four fundamental factors: Sound Investments, Low Mortality, a Mutual Company and a Loyal Satisfied Agency Force. Central Life is *Old* enough to be thoroughly established but *Young* enough to offer exceptional opportunity.

We now have two openings available.

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Clark Tells Need for Support

BY ERNEST J. CLARK

President American College of Life Underwriters

Dean Huebner has given to you a most comprehensive review of the American College achievements during the past year. He has also discussed the educational prerequisites and other standards and the meaning of the college to the future of life underwriting.

As president of the college I want to present to you some facts with respect to the business administration and why the college should be supported by not only all those underwriters who wish to master this intricate and highly professionalized business, but also our life insurance companies.

The dean has told you in his address why every life underwriter should strive to become a C. L. U. If possible, but why should the home office cooperate in the support of the American College and its endowment fund—the Edward A. Woods Foundation?

College Provides Best Preparation

It is perfectly obvious that our life insurance companies want in their agency organizations men and women of maximum intelligence and ability who either have had or contemplate making the best possible preparation for a life underwriting career. The American College course provides the best and most complete preparation for this vocation that has ever been given to the life insurance world.

The college as you understand does not conduct educational courses in its own plant and by its own teaching staff, preferring to regulate and supervise the conduct of a standardized course of higher education in life insurance and allied subjects in the various universities of the country, leading to the C. L. U.

All examinations for the C. L. U. are conducted in these educational centers under fixed rules established by the American College and which accord with recognized rules and regulations of the respective universities so far as educational prerequisites and character of the course of study are concerned.

Calling Deals With Many Problems

In setting up educational standards for the C. L. U. examinations, which would win universal respect in insurance, professional, and academic circles, recognition was given to the fact that life underwriters need to know more than the principles and practices of life insurance itself. Their calling deals intimately with economics and sociology, with the principles and psychology of salesmanship, with private and corporate finance, with banking and commercial credit, with thrift, investments, taxation, contractual relations of many kinds, wills, trust arrangements, and the management of estates. Familiarity with these subjects, therefore, is highly desirable of life underwriters in order that they may be properly qualified for their negotiations with business men and others on a basis of mental equality. Accordingly, the five series of examinations given by the American College as one of the prerequisites for the C. L. U. degree cover all of these fields referred to above. It is quite evident, therefore, that candidates who have made the necessary preparation and who successfully passed these comprehensive examinations have an educational background and equipment of a high order.

The college as it is constituted is equipped to place this course of study in every important educational center in the United States, thereby serving not

only the life underwriters in the broadest, most convenient and economical manner but placing at the door of practically every home office this educational advantage—twelve universities having already signified their willingness to install the A. C. L. U. course.

It is not possible for any home office to establish within its own educational department, if it has one, save at great cost, any such course of study as that outlined. Therefore it is to the advantage of our life insurance companies to lend not only their moral but their financial support to the college as they are direct beneficiaries. If by so doing it is of financial benefit to the companies it is naturally of benefit to their members who constitute the great body of policyholders.

Interest Young Men in Life Business

One of our prominent life insurance presidents recently inquired as to whether or not, in my judgment, the American College would be the means of interesting more young fellows in going actually into the life insurance field. My answer was unqualifiedly yes, and furthermore, that they would enter the life insurance field with the equipment of an educational course that would fit them for all branches of life insurance service. The field men and women who have made this special preparation should naturally produce a larger volume of business more intelligently placed, and with a service to the insuring public and company which cannot be matched by an agent who has made no such preparation. Furthermore, as the number of Chartered Life Underwriters increase, the costly turnover among life insurance agents will decrease, and herein will result a tremendous saving in expense to our life insurance companies.

The influence and educational work of this institution in the future, in the judgment of its officers and directors, is therefore going to be of incalculable value to the life insurance companies by giving to them men and women of greater caliber and ability in the handling of life insurance problems and field work and in a more intelligent and efficient manner, as a result of their higher educational preparation and training, in not only life insurance fundamentals and salesmanship, but the other subjects involved in the American College course.

Companies Would Realize Value

Dean Huebner referred to the editorial of H. G. Kenagy in the September-October issue of the "Managers Magazine" of the Life Insurance Sales Research Bureau. I wish every company official, general agent, manager and life underwriter in America might read that editorial. If so there would be far less misunderstanding regarding the college and its program and there should be little question in the minds of our home office executives as to whether or not it is consistent or to the best interests of the policyholders that they should cooperate with their field men in building the Edward A. Woods Foundation as a permanent endowment for this educational institution that is destined to be of immeasurable value to company, agent, and incidentally to the policyholder because of a superior service rendered by life insurance men and women who become Chartered Life Underwriters.

Function of Edward A. Woods Foundation

The American College can not function on the meager income derived from examination fees from candidates for the C. L. U., and it is neither practicable

Building Agency on College Men

(Continued from page 8)

trained for study. We have found it necessary to instruct him more about business because he has practically no experience in business other than making a few dollars to pay his way through school. We have found we must spend considerable time talking over credit. He is of the opinion that every man is honest and men will do as they agree to do. Practically the only experience he has had with credit is to give notes for a few hundred dollars to help complete his education. They have no thought but that it must be paid by them. Therefore, they have no other thought but all other men will be equally conscientious in meeting their obligations.

Give Set Canvass, Start on Only One Contract

The reason I stress this is because in our territory we find it quite necessary to take a number of notes. There are certain times of the year when the farmers and rural business men, small town business men, do not have much money coming in and I try to impress that. It is quite a subject to be covered and should be taken up carefully.

We endeavor to give them a set canvass, one that has brought better and quicker results with salesmen. The set canvass is a handy tool and can be en-

nor fair to its officers and directors that it should be supported by the voluntary contributions of a few, consequently, in line with the only satisfactory method of financing a higher educational institution, the Edward A. Woods Foundation was created as a permanent endowment for the college and a memorial to this outstanding life insurance leader, educator, and first president of the American College.

Of the \$100,000 called for by the National Association of Life Underwriters at the Detroit convention approximately \$50,000 has been subscribed. A number of life insurance companies have already manifested their interest in the college by making subscriptions to the foundation and I am convinced that when certain local campaigns among our life underwriters are completed this fall in New York, Chicago, Boston, Philadelphia, Los Angeles, Des Moines and elsewhere with contributions from other life insurance companies as should logically be expected the amount called for will be fully subscribed.

Will Enable College to Balance Budget

The annual income of approximately \$5,000 on this endowment which will be paid to the college by the corporate trustee combined with the revenue derived from examination fees will enable the college to balance its present budget, and function without financial embarrassment.

It is strictly an eleemosynary institution. Its executive officers are serving without compensation and in addition donating to the college much clerical assistance and financial support. The dean and assistant dean are granted the most nominal honorariums for their untiring and invaluable services. We can not and should not expect them to continue on this basis.

Important to Complete Endowment Fund

The clerical and stenographic work in their offices have increased enormously. Printing, stationery, postage and traveling expenses are also increasing in like ratio. Consequently it is highly essential that this endowment fund be completed at the earliest possible date.

larged at will as they get further into the general study.

We usually start them soliciting on only one contract. We have found it well to choose a high goal and point them to the production of one or two of the leading salesmen. We try to impress that because of the advances they have had in education they should aim to be leaders rather than average salesmen.

Promote Men as Rapidly as Possible

It has been the custom to promote men as rapidly as possible because all start in as special agents and as they develop and as territory opens, these same men are made district agents. As the position of agency supervisor opens up we give it to the best man. The goal set before him in the home office is that of a managership. The college men are more concerned about advancement. Within the last year we had two district agents and two agency supervisors who had been promoted, two with one company, and one with another company.

The reason we stress the opportunity for promotion is that we feel if every man strives to fit himself for promotion it is better for the company and better for the agency. College men, as a group, are more vitally interested in promotion than non-college graduates, even though the promotion does not necessarily mean a bigger income, yet the recognition of advancement is a greater inspiration to them. The very fact that they went after an education shows they are striving for better things. The college man takes it for granted he is going to succeed and gain promotion.

College Man Writes With Fewer Handicaps

We have found further that during the course of training he follows instructions more accurately, he handles the system more efficiently, he writes with fewer handicaps. After the first week's demonstration he has a fairly good idea as to how business should be carried on.

Most of the supervision consists of occasional help in the field and with numerous conferences with the manager, talking over problems he has encountered or outlining specific cases or insurance programs. Supervision of a college graduate calls for help in creating confidence in himself and keeping his sights raised to do bigger and better things. We have found he is not inclined to be a leaner but he wants to go out and get results himself, rather than have someone else help him do it. We feel one reason he is not of the leaner type is due to the fact that he has been given a simple canvass he can use. He has heard it repeated enough so he has confidence in himself to go out and use it.

It takes this same group a varied amount of time to establish confidence in themselves. No college degree has ever guaranteed the most likely prospect success in the life insurance business. It is not the degree that does it. It is the man who decides he wanted the degree.

Men Out of College for a Few Years

I will touch briefly on the second group—men out of college a few years. We have selected men carefully and have had excellent success with them. It has usually taken one to two years to get them to take contracts but they have proven our selection was right.

The greatest number come from the school teachers, mostly high school principals. We have induced a number of them to join our organization and they have made good in a large way. We have started many of these men on part-time contracts, permitting them to remain on such for a year before becoming full-time salesmen. They have been

located through agency supervisors or other college men associated with us.

A school teacher is generally known through his profession. I do not mean we try to induce each man who is recommended to us because we try to make a good selection. The appeal we make is that while their profession is a worthy one and a necessity to humanity, they have spent a few years in the teaching profession and are now entitled to spend their time in producing a greater remuneration for themselves and their families and at the same time doing a service that is equally great.

Interest Is Generally in Making More Money

One of the reasons this class has appealed to us is because their interest is generally in making more money. They learn easily, follow instructions well, and are accustomed to work regular hours and are good instructors of other new men whom we bring into the organization. Their cooperation is good and they are not satisfied to remain in the business unless they have made from \$3,000 to \$15,000. They want to win promotion as soon as possible.

We have had one man who has paid for little more than \$1,000,000 a year for two years in succession. The first year he wrote about \$400,000. About the time the school bells began to ring he always seemed to look around for a school and we couldn't figure the reason why. We finally got him back the two following years with million dollar years and in a rural territory such as ours you will appreciate that is a splendid production.

Reasons Why College Men Are Preferred

In summing up, I will leave just these few points: We really believe that college men as a whole are better than non-college men, (1) because they have trained minds; (2) because they have a high standard of living; (3) because they are ambitious to succeed; (4) they have social contacts; (5) they have self-assurance, and I believe this is self-confidence because of their education; (6) they are willing to sacrifice a certain amount of the present income for the sake of training experience and future advancement.

We prefer the college man on the whole who has been out of school for a few years. The reason for that is simply this: We can only handle about two men just out of the university each year. But we have had mighty good success with these men. They are hard workers, conscientious, good men for the agency, and if we had more territory, we would certainly take more of them. They have proven very successful. We have had no losses with any of these college men we have selected just as they came out of school.

Men Out for Few Years Are Better

As I say, as a general group, we prefer the college man who has been out of school for a short time because he is quicker to get into production. He usually has his college obligations paid off and has started his financial plan of life. Third, as a rule, he has family responsibilities, and therefore, has a greater desire to do bigger things at once. Fourth, someone else has paid for his experience, where with the man just out of college we have to teach him almost everything.

Charis Adams, secretary and general counsel of the American Life Convention, who presented greetings from that organization Wednesday, made what was probably his last official appearance in that capacity at this meeting, as he is retiring very shortly to become vice-president of the American Life of Detroit and will be succeeded in the American Life Convention post by Judge Byron K. Elliott of Indianapolis.

Wide Field For Larger Policies

"Beginner" in Life Insurance Selling Tells Why It Appeals to Such Prospects

TWO BASIC ESSENTIALS

Agent Must Have Plan That Will Interest Big Man and Qualified Prospects to Interest in Plan

BY G. GILSON TERRIBERRY,
Mutual Benefit Life, New York

Mr. Terriberry, who has been selling life insurance only a little over a year and in that time has written approximately \$1,800,000 of business, has a message of particular interest to the new man in the business. He was trained to be a mechanical engineer and was in various phases of manufacturing and consulting work before making his first connection with life insurance as assistant manager of the Life Insurance Sales Research Bureau, from which position he went into the selling field.

It appears to be the consensus of opinion that the quality of life insurance representation has improved during the last ten years. Forecasting is impossible with any degree of certainty. However, if we plot the curve of improvement based on facts that are established, we may, with some degree of accuracy, project this curve into the future and show an indicated trend.

The limits of the market in life insurance for the future will remain about the same—from nothing up.

Should an improvement in life insurance representatives take place in the future, it can only occur from two sources—from within or without. To improve the representation from "within" would require raising the average caliber of the present agents. An improvement from "without" can be had by attracting men to the business who have had broad backgrounds of managerial and executive experience.

Tremendous Possibilities in Larger Policy Field

In considering the future, let us focus our attention on cases of \$25,000 and larger. This field appears to offer tremendous opportunities if properly approached.

If life insurance is to attract the successful executive to its ranks, this is the type of prospect that he will know—that he can talk to—and whose point of view he understands. Let us, therefore, limit our discussion to this type of business. This is the field in which some of my associates and I are now specializing.

There are two basic essentials necessary: (1) A plan that will interest a prospect capable of buying \$25,000 or more; (2) the qualified prospects to present such a plan to. Without both of these essentials, we fail.

Consider Thoughts of Such a Prospect

For a moment let us consider the thoughts of such a prospect. Is he not trying to earn a living? Also, is he not trying to earn a margin above his living expenses in order to accumulate property? It appears that this aim is the endeavor of most of us. The thoughts of this prospect are focused on the problem of earning his expenses and accumulating property. The average prospect has only been concerned in a general

way with what he will do with the property that he is accumulating.

He also has some life insurance. Therefore, he has two estates—a general estate and an insurance estate. His objective is himself and his family.

Suppose that we can focus these two estates so that they will produce the maximum amount of happiness for himself and his family. Will he be interested?

Builds Plan Based on These Fundamentals

My associates and I have built a plan based on these fundamentals. Our aim is to build a permanent personal business. Undoubtedly our plan is not perfect and the future plans of new men and old men will be better.

We discuss with the prospect these two estates. We try to get a picture of his objectives. We then build a report showing the ideal picture, and show through the medium of life insurance how he can acquire the income producing assets that he appears to need in order to consummate his ambitions.

Such a plan we feel should not only sell life insurance, but should also produce prospects. Each individual salesman must build his own plan. The plan should be based on the aims that the salesman wishes to accomplish. It will be different if it is designed to sell \$10,000 of insurance than if it is designed to sell \$100,000. It will be different if it is to produce prospects who are capable of buying \$10,000 than if it is to produce prospects for \$100,000.

Can Be Made to Produce Prospects or Just "Names"

One plan can be made to produce prospects by introduction or just "names", depending on how it is prepared.

Before it is possible to build a plan, the individual must have many ideas to choose from. He must use his own experience and the experiences of others. One plan must be constructed to accomplish the purpose of each agent. It is ridiculous to expect one man to copy the procedure of another because no two men are alike.

It is the job of the general agent or manager to see that both new and old men have available at their disposal a never-ending supply of ideas and information regarding the practices of others. These ideas should not be limited to any one locality but should be of national scope. It is then possible for the individual to select and develop the methods and ideas that will fit his temperament into a plan that will produce the results he desires.

Public Will Play Part in Forcing Progress

The responsibility for the selection and training of such general agents rests primarily on the various home offices. Therefore, if the improvement in methods of life insurance representation is to be continued the responsibility in the last analysis rests on the home offices.

It is quite likely that the public in the future will play a considerable part in forcing this progress. As the public become better educated, they will demand that the life insurance representatives bring to them ideas used by successful men in solving problems, so that they in turn will have a number of ideas to choose from in solving their own problems.

We believe that the competition in the future will not be based on differences in companies or policies, but will rest on the ideas which one man in relation to another is able to bring to the prospect's attention. This may squeeze out many agents who do not progress.

There is a third fundamental essential to building a permanent personal business. What is your attitude towards this business? Is it business? If so, it will become increasingly important to

run it as a business. A \$10,000 or \$15,000 executive must run his business in an efficient and sound financial manner. A man in the life insurance business must be his own sales manager, his own treasurer and his own chief executive.

Many complimentary things are said about the life insurance business. It is also said that this is the best business for a lazy man to be lazy in.

The formula for success in other lines appears to hold for life insurance business—ability plus desire produces success. The outstanding successful men in the life insurance business, on close analysis, regardless of whether they are located in San Francisco, New York, New Orleans or Chicago, do not appear to have had much more than average ability, but they had a great deal more than average desire.

End Convention Is Biggest Ever

(Continued from page 1)

first year in the selling end of the business, with a production of approximately \$1,800,000, spoke particularly of the possibilities that exist for the sale of policies for \$25,000 and over. That is the field in which he is working especially. He outlined some of the requirements for interesting a prospect in that class, and the points which would arouse in him an interest in life insurance protection.

Duffield Lauds Work of Industrial Agents

The closing speaker of the morning session was Edward D. Duffield, president of the Prudential. He spoke of the "Mission of the Industrial Agent in the Era of the Second Hundred Billion," a topic on which he is especially well qualified to speak by reason of his position at the head of one of the great industrial organizations of the country. He told of the growth of the industrial business, in spite of severe handicaps in its earlier days, and the notable volume of ordinary business which industrial agents are now producing.

Combining the ordinary and industrial business now in force, produced by industrial men, he declared that it would account for practically one-third of the hundred billion total. Because of their training in industry and close application to business, he said that the industrial men might well be held up as an example for many producers in the ordinary field, and predicted that they will play an even greater part than they have so far in the era of the second hundred billion.

Miss Emma H. Ditzler of the Fraser agency of the Connecticut Mutual Life in New York City, who has had especial success in selling to women, was the first speaker Friday afternoon. She told why women are just as much in need of life insurance protection as men and outlined the policy forms that seem to have the greatest appeal to them.

Armstrong Tells Part to be Played by Mass Insurance

"Mass Insurance in the Era of the Second Hundred Billion" was the topic of H. H. Armstrong, vice-president of the Travelers. He said mass insurance, which is principally group insurance but includes some other forms, will play a large part in the second hundred billion, not only directly, but by educating a class of people who are not yet substantial buyers of insurance. He quoted an automobile manufacturer who said that Henry Ford had done more to sell high priced cars than all the advertising and all the sales efforts of all the manufacturers of large cars.

Roger B. Hull, managing director and

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general counsel of the association, was the last speaker and sounded the keynote of the convention. He said that quality of performance is the modern test of worth and that the insurance salesman of the second hundred billion must measure up to this test.

New President Assumes Office

(Continued from page 1)

Co. of Birmingham, serving for two years. In 1909 he took a rate book for the Massachusetts Mutual and became a soliciting agent in Birmingham. In 1911 he was appointed assistant state manager of the Reliance Life of Pittsburgh, with headquarters at Birmingham. A year later he was appointed state manager at Seattle for the Reliance. In 1913 the Reliance Life called him to Pittsburgh to be the manager of its home office agency. It was in this connection that Mr. Whatley began to attract attention because of his constructive work and organizing ability.

Joined Aetna Life in Chicago 1923

He was made manager of the Aetna Life in Chicago territory in 1923. At that time he was president of the Pittsburgh Life Underwriters Association. When he took charge at Chicago the three agencies of the Aetna Life were combined. They produced at that time about \$8,000,000 a year. He has brought the production to \$18,000,000.

Mr. Whatley served as director of the Chicago Life Underwriters Association for four years and was elected its president in 1926. When he was president of the Chicago association he brought about a plan of cooperation between the life agencies and the trust companies of the city, developing a scheme whereby the two interests work in harmony. He is a member of the general agency advisory council of the Aetna Life.

Women Do Need Life Insurance

(Continued from page 2)

Life insurance to take care of the clean-up fund and to leave an income to the wife, at least until the children reach their majority, but we have too often neglected showing the wife the importance and necessity of leaving a clean-up fund in favor of her husband in the event of her death.

Wife's Death Gives Young Husband Difficult Task

Would it not be a most difficult task for the young husband to confront, should his wife die leaving him not only bereft of his mate but leaving him also with a number of bills covering the final expenses which must be met. To such a young man, \$4,000 or \$5,000 would represent a saving of a decade. If there are children, then the burden and hardship is passed on, not only to the husband but to the children as well.

It may result in their being brought up in poorer surroundings and having to be deprived of the things they might have enjoyed had their parents lived.

Some Prejudice on Part of Some Women

There still remains a small prejudice on the part of a good many women to having their lives insured but if the proposition is presented to them in the manner described, this attitude will seem just as selfish and erroneous as is the attitude of the married man who refuses to buy insurance because he does not wish his wife to have it by his death and to marry again because he left her

insurance money. The average man and the average woman must be made to realize that this is a very selfish attitude to take. In the case of single women they should think of their parents and in the case of married people, their children. It is therefore my conviction that every woman, married or single, has a duty and obligation to carry sufficient insurance to provide a clean-up fund at her death.

Business Woman's Needs Are Same As Man's

The business and professional woman who is the best class of prospect has exactly the same need for insurance as the man. Business, bequest and inheritance tax insurance, and in some cases endowment and mortgage insurance, are needed to fulfill a life program for the class. When these needs are presented the sale is made on the same basis as would be a sale to a man in a similar position. This class of women really falls into the category of larger buyers of life insurance. The increasing freedom granted to women has brought them more and more into the professional world. The number of women with large incomes and big estates is daily increasing. This type of woman prospect naturally is the most desirable from an insurance standpoint. Not only will she have life insurance needs beyond the clean-up fund, but she will be in a position to buy larger policies and she will have been educated to a higher degree as regards the value of insurance than will her sister housewife and salaried employee.

Other Class Has Greater Need for Insurance

Even though this class of prospect is more desired from the underwriter's standpoint, the other class of prospect, though financially less satisfactory, humanely gives the underwriter greater peace of mind and contentment for this class has the greater need of insurance. The business and professional woman would probably have accumulated a material estate which makes the basic need of life insurance less than that of our housewife or salaried employee who has never accumulated any material estate.

There are two factors that I haven't touched upon—disability and pension or retirement fund. The disability I shall touch on only lightly. The need of the disability agreement is just as great in the case of the business and professional woman and salaried employee as it is for a man similarly situated. To the single woman one added argument that may be presented is that she may not be able to get it once she is married.

Old Age Income Can't Be Overstressed

Old age income has been stressed by life insurance companies and life underwriters as one of the blessings offered the insured and I believe that too much importance cannot be attached to this feature of the business. I do, however, believe that a great mistake has been made and is being made today by the average insurance company and the average life underwriter in selling women, and that is to speak of funds for old age. There isn't a woman in the land who cherishes the thought of old age. It is my belief and experience bears me out in this—the average woman does not like to contemplate the sunset days of her life. Is it not much more appealing to talk of our old age income in terms of a retirement fund? It has been my experience that the average girl, until she realizes she is thirty, is not interested in income insurance, for in an overwhelming majority of cases she feels that this need will be eliminated by marriage.

The chief appeal to this class of prospect lies in a co-savings fund to mature in a period from 10 to 25 years in the future with, of course, the ever present need of a minimum clean-up fund. It

has been my experience that a single girl before the age of 30 is interested primarily in the endowment form of insurance, ranging from 10 to 25-year endowments. The size of the sale will, of course, be governed by the earning capacity of the girl but the sale can be materially increased if the minimum clean-up fund is commercially sold. Many prospects in this class would in normal cases buy \$1,000 or \$2,000 and can be induced to buy from \$4,000 to \$5,000 if the need for a minimum clean-up were properly stressed. The primary consideration in a sale of this type of girl, I believe, is a minimum clean-up fund, and secondary the savings need. I believe that larger policies would be sold and that we would have more satisfied policy holders if we sold insurance on this basis.

Retirement Plan Has Strong Appeal

With maturity the single woman becomes more concerned with her future. At the age of 30 she has probably made up her mind quite definitely whether she will marry or remain single. Of course it is always a woman's prerogative to change her mind. She is also by this time quite distinctly launched on a career. Naturally her thoughts will turn to that time in life when she will want or will have to retire from the business or professional world.

It is my experience that the retirement plan of insurance appeals more strongly to this type of woman than it would to a man in similar position. First of all, she will probably think more seriously of the future than would a man of the same age. To him the world still beckons to be conquered. Furthermore, the average woman will have had less experience in investing than will the average man. She will have less illusions on the ease with which fortunes may be made over night by a single speculation. She will appreciate a sound investment plan to a greater extent. As a matter of fact, she will probably have less opportunity to build a material estate. Finally, this woman, as a prospect for a retirement plan will prove true to the instincts of her sex.

Systematic Savings Guarantee Future

Systematic savings guarantee principal and interest, relief from worry and dangers of investment and speculation. A concrete, well thought out, guaranteed savings method leading to a retirement fund—all of these factors will be more appreciated and more favorably received by our women prospects than by our similarly situated men prospects.

I have tried to give you briefly the impressions and ideas which have been indelibly stamped in my mind over a six-year period in selling life insurance to women. There are some other factors that I have not touched upon and perhaps I should have. It is my belief that the average woman who has been well sold on a retirement plan is more conscientious in keeping up her insurance than the average man.

I am fully convinced that the average woman who has once been sold is much more appreciative of this service and she will almost always send you on to her friends. I can safely say that 90 per cent of the lives written by me have resulted from recommendations from my policy holders. I have often had as many as eight or ten names given me. It seems to me, therefore, that the endless chain method of prospecting is by far the most suitable where women are concerned.

Harvey Weeks, of "OATS" fame, while no longer in the active ranks of life insurance producers, having removed from Buffalo to New York City to become associated with one of the big trust companies there, was back on the ground, mingling with his former associates.

He Faces East



ROGER B. HULL
Managing Director National Association

Quick Response Received

That the broadcasting of Frederick H. Ecker's talk Thursday was received by an extended audience was evidenced by the receipt a few minutes after its conclusion of a telegram to George W. Ayars of Los Angeles from his wife, saying she had just listened to the entire speech through station KFI of Los Angeles, one of the chain linked together by the National Broadcasting Company.

New England Mutual Dinner

Wednesday evening the New England Mutual contingent had dinner together in the Italian room at the Mayflower. There were seventy-one present, including sixteen wives.

Pullman Porters Get Big Hand

The Pullman porters' quartet was on the program for four appearances at Friday's sessions and on each occasion was riotously received. The members of this quartet were selected from 10,000 porters of the Pullman Company to find the four that blended most harmoniously and the applause which greeted them each time prove that the selection was well made.

James A. Hawkins, superintendent of agents of the Midland Mutual Life, arranged for an informal breakfast conference of all Midland Mutual men attending the convention at the Lee House.

In One Spot Since 1844

Twenty-four agents won a convention trip in the George Hunter agency of the New England Mutual at Hartford. The Hunter agency is a continuation of the original agency opened by the company in that city in 1844, when James M. Goodwin was appointed as its representative. A remarkable fact about the agency is that it has continuously occupied the same location since 1844, except for a short period when it occupied temporary quarters while the building was being reconstructed.

M. J. Dillon, St. Paul manager of the Pacific Mutual Life and one of the veterans of the association, attended the meetings of his company's general agency association, the executive committee of the National association, of which he is a member, and the convention proper.

Hull Sounds Keynote of Convention

New Idealism Enters Business

Quality of Performance is Declared the Keynote of Present Day

AGENT MUST EQUIP SELF

Correct Merchandising Is Problem Raised by Modern Competition for Consumer's Patronage

By ROGER B. HULL,
Managing Director, National Association of Life Underwriters

While each generation believes itself to be on the verge of a new economic era—an era of fundamental change—the novelty of the period from 1922 to 1929 rests chiefly in the fact that developments such as formerly affected old industries have simply been recurring in new fields of commercial activity and that the changes have not been fundamentally in structure, but, as the committee said, "in speed and spread."

Transportation and communication are not new services. The facilitating function of finance is older than coined currency. Agriculture is as ancient as history. Competition is not a new phenomenon, though certain phases of its development have seemed new. Hand-to-mouth buying is old. Sudden changes in style and demand are familiar. There is no new principle in installment selling. The chain-store movement dates back at least 25 years. "But the breadth and scale and tempo of recent developments give them new importance."

The increased supply and the wider uses of electric current, man's multiplication of his strength and skill through machinery, the increase to new heights of production per man hour; the quickening of those instrumentalities through capital provided from the surplus incomes of a constantly widening proportion of our people—all these represent an accumulation of forces which have long been at work.

Danger in "New Era" Philosophy

There is danger, it seems to me, in this "new era" philosophy which has been so rampant in every quarter, especially during the past three years. Conditions, though new, are fundamentally the product of the years. Our business traditions must not be forgotten, merely because we see before us a new challenge and a new opportunity. We must not conclude that all considerations of business caution and conservatism should be ignored simply because of the new pace in industrial progress and marketing efficiency which has been set in this country. We must still admit frankly, at least to ourselves, that while there are many new elements in the situation, our economic system is still subject to the danger of an unbalanced development and over production in individual businesses, which may well bring about a general recession in prosperity.

Concerned in Net Results of the New

We are chiefly concerned, however, as life underwriters, in the net results to us of these new manifestations of old forces. What do they mean to us, as prospective leaders in the development of the America of tomorrow? What is their keynote? Is the business of sell-

ing life insurance in America keeping step with these great forward movements

Whether we realize it or not, and whether we like it or not, the course of progress in American business during the next few years lies in our hands, just as truly as in the hands of any other single group of professional or business leaders. Unless we catch the spirit of these new developments and unless we take our place in the front rank of constructive thinkers and progressive doers, unless we turn our faces toward the glorious sunrise of a new world opportunity—the realization of our hopes in connection with this Second Hundred Billion is going to be long postponed, if not largely defeated.

Single Keynote Is Quality of Performance

I find in this new development of America a single keynote. And, fortunately for us, it seems to me, it is a keynote to which we as life underwriters can most easily attune our whole program. That keynote is quality of performance—the infinite adaptation of the sale to the needs and demands of the consumer.

I haven't time, and you haven't the patience, for an extended development of the whys and wherefores of this keynote, or for the details whence it came. We are much more concerned with striking it, and then considering whether it must lead us; if we are to respond to its challenge and capitalize its opportunity.

New Development Was Inevitable

Just a word first, however, as to whence it came—this new emphasis in business upon quality of performance. Its development has been inevitable.

Scientific management came into the picture about a quarter of a century ago, and not alone because of it, but through a combination of forces, production volume per unit began to increase in a marked degree; profits rose, and these were re-invested in improved machinery, which correspondingly increased production; as the production of workers increased, their wages rose. Then, of course, their buying power was vastly enhanced. As the volume of production was increased, it was found that the product could not be sold in the old way of merely meeting a demand, and the first steps of modern merchandising methods were taken, by way of stimulating and creating a desire for the product, in order to consume the excess of production. In addition inventive genius was called upon to design a larger variety of and more appealing products, for which a market could be stimulated.

New Idealism Overcame Old Trends

Production was again increased to meet the increased demand, with a further increase of wages which still further increased the buying power of the public.

Then competition became excessive. Competitive antagonism developed and we fell heir to all the ills of cut-throat competition, selfish individualism and traffic in the natural rights of man.

But then, fortunately, there seemed to come into the business world—at least in this country—a new idealism and a new basis of co-operation, and the old order gave way to character and quality in management, and then began an intensive search for refinements in service.

The whole process of combination,

after the perilous trust-busting days of the early nineteen hundreds, now came to be weighed solely in the scales of public interest. Quantity of production and the mere bigness of gross profits gave way to the absorbing influence of sales research and the adaptation of the product to the studied demands and needs of the consuming public. Production now came to be gauged upon a thorough analysis and a reasonably accurate forecast of what the market might consume. The old pressure which had been exerted upon the comparatively unorganized and inarticulate selling end of business, demanding ever greater and greater coverage to absorb excess quantity and mass production, gave way to the intelligent and ordered process of adapting business to the demands of the consumer and to the interests of public service. Thus it developed that the standards of organization which had long been recognized in production began to be applied to the far greater and far more important problems of merchandising, and we moved from the old order of quantity production to the present new era of quality distribution.

Close Tie-Up With Life Insurance

And let no one imagine, as I have been speaking for a moment of this transition from production problems to problems of distribution, that I have been wandering far away from the business of selling life insurance, simply because in our business there never has been the element, for example, of production per man-hour and of the quickening effort of modern machinery. We have only to bring to mind the too-much-talked-of "new competition," of industry with industry, of the automobile with the savings bank, of the investment trust with the twenty-year endowment policy, to see how absolutely co-related are these tendencies in the world of manufacture and sale of necessities, and the trends that have been coming into the business of selling life insurance.

Must Make Scientific Analysis in Sales

Because it must be perfectly obvious that if other distributors in other branches of business have suddenly recognized the need of co-ordinating consumer demand with production and distribution, and if the life underwriter is calling upon that same consumer, as of course he is—then the life underwriter, too, must make his scientific analysis, and look to the adaptation of his service also to the human needs and economic problems of his clientele. If other distributors are now realizing that the difficulties, for example, due to style changes, can best be corrected by careful analysis on the part of manufacturers, in co-operation always with the merchandising end of business, in order that merchandise produced may conform with the desires and requirements of the consumer, then isn't it perfectly clear that that new way of competition is forced also upon the life underwriter?

Must Understand Consumer's Viewpoint

Someone has phrased it: "Merchants today are not competing against each other; they are matching their wits and merchandising methods against prosperity, speed and a constant desire for change." The consumer's knowledge has been increased, his tastes have been improved. His habits have been changing. He has developed a new capacity for making more money and for satis-

fying more of his newly developed desires. Travel, education, sports, building developments, savings banks, investment securities and countless other agencies compete with us for a slice of an unparalleled prosperity. And if we don't look to the quality of our performance, the representative of some other industry, with his attention focussed on his new toys, style, desirability, smartness, design and color and "progressive obsolescence"—oh, there are so many of them there isn't time even to name them; I wish there were—the representative of some other industry is going to edge us out, and that's all there is to it.

Problem Is Squarely Up to Life Agents

I am going to ask you to agree with me, for the purpose of this argument, that the American business man has come to a new and controlling realization of the importance of correctly merchandising, as contrasted with largely producing, the necessities and luxuries which go to make up the "standard of living" of the American home. And then I ask you to face the question, isn't that same problem—of correctly and more intelligently merchandising your product—squarely up to you?

Modern Agent Is Equipping Self

The stepping-up of the consumers' demands in the field of merchandising manufactured articles is having its exact counterpart in the business of selling life insurance and other so-called service industries. The modern life underwriter is equipping himself through higher education and through intensive training to analyse every element of his product and to adapt his appeal to the basis of human need and public service. Just as consumer demand in the realm of manufactured articles is now recognized to be not wholly intuitive and self-created, so in the selling of life insurance we are seeking more and more to make the American public life-insurance conscious and to suggest quietly but insistently that to be adequately insured is to be "in style."

Has Remarkable Record

Robert M. Buckmaster of the New England Mutual at Waterbury, Conn., was one of the twenty-four agents present from the George Hunter general agency at Hartford. He has the record of averaging three applications a week for fifteen years and eleven months. In all that time, nearly sixteen years, he has never missed a week on production.

Chicago had an unusually big delegation on hand for the purpose of putting over S. T. Wheatley for the presidency of the National Association and its members are naturally feeling good over the success of their efforts.

The hotel was practically deserted Thursday afternoon, the great majority of the convention attendants having taken advantage of the trip to Mount Vernon, one of the nation's greatest shrines, on which they were the guests of the Life Underwriters Association of the District of Columbia.

J. W. Bishop of Chattanooga, home office general agent of the Volunteer State Life, brought with him three members of his agency, H. S. Weatherby, M. A. Park and E. K. Fluker, who were awarded a free trip to the convention and the winners in a recent contest.

More Than \$80,000,000.00 Life In 9 Years

Re-organized to include Life Insurance in 1920, it is gratifying to announce that we have now passed the \$80,000,000.00 mark of Life Insurance in force. Of this \$80,000,000.00—nearly \$15,000,000.00 has been added during the first seven months of 1929.

B. M. A. salesmen are enthusiastic over their ability to provide for their clients' complete coverage—(Life—Accident—Health)—assuring them a life time income in event of disability caused by sickness or accident—an estate in event of natural or accidental death. The B. M. A. "All-Ways" policy provides complete protection—

"It Pays All-Ways and Always"

Business Men's Assurance Company

Kansas City, Missouri

W. T. GRANT, President



"Symbol of Complete Protection"

More Than \$19,000,000.00 Paid Policyholders and Beneficiaries Since Organization

GROW with this Progressive Company



New Home Office Building

We Offer

- Policies all ages, 1 day to 70 years.
- Both Participating and Non-Participating.
- Non-Medical—Sub-standard.
- Disability, Dismemberment and Surgical Benefits.
- Special Monthly Premium Payment Plan.
- Double Indemnity.
- Children's Policies with Beneficiary Insurance.
- Sales Planning and Circularizing Department.
- Producers' Club.

Available territory in seventeen states West of the Mississippi River and in Illinois and Florida.

WRITE DIRECT TO HOME OFFICE

Central States Life Insurance Company

James A. McVoy, President

HOME OFFICE: SAINT LOUIS

A True Index of Progress

There Is Only One true index of progress in any life insurance company and that is the amount of new insurance written and paid for each year.

During 1928 we increased our Life Insurance in force from \$100,000,000.00 to more than \$135,000,000.00, a gain of more than \$35,000,000.00 for the year.

So Far During 1929 our new life business is continuing to increase at such a rate as to make our attainment of

\$200,000,000.00 of Insurance in 1930 a Certainty

As Evidence of Our Growth and progress in our Home State we submit the following record of new paid for business in Illinois

1926	\$12,909,001.00
1927	16,112,974.00
1928	31,478,005.00

The Total for 1928 is greater by

\$13,000,000.00

than the new life insurance written in Illinois by any other legal reserve company of Illinois.

The Federal Life is the oldest and largest **Illinois company originally chartered** and ever since continuously operated by its **Founders** as a **legal reserve life insurance company**.

This Interesting Fact is not mentioned to reflect upon the Illinois companies which started as assessment companies, stipulated premium companies or under a charter from some other State or law-making body and afterwards reincorporated under the excellent legal reserve laws of Illinois but to emphasize the wisdom of the founders and managers of a company that from organization has sold as good insurance as it was possible to buy in any company regardless of size or age.

Federal Life Representatives are fortunate and prosperous under a management of such far-seeing vision.

The Federal Life has **two** departments—one **Life Insurance** the other **Accident and Health Insurance**—with unexcelled policies.

We Offer all popular forms of Accident and Health Insurance including Monthly Premium Policies—an unexcelled Non-Cancellable Life Income Policy for Business and Professional Men. Also a new \$5,000 Non-Cancellable Automobile Accident Policy, easily sold in connections with Automobile Insurance.

If Detached or if having definitely decided to change connections it may profit you to address.

Agency Division

FEDERAL LIFE INSURANCE COMPANY

Isaac Miller Hamilton, *President*

Federal Life Building
CHICAGO

"Human Being Insurance"

THE FRANKLIN LIFE INSURANCE COMPANY

The oldest existing life insurance company
originally chartered under the laws of Illinois. Organized in 1884



Home Office—Springfield, Illinois

Legal Reserve	Income Disability
Guaranteed Low Cost	Double Indemnity
Complete Life Line	Excess Interest
Sub-Standard Dept.	Liberal Commissions
Non-Medical Applications	
Good Territories	
Juvenile Policies	\$212,000,000 in Force

A thoroughly seasoned company operating throughout the Mississippi Valley—with a long record, a line of policies, and territorial opportunities of the most advantageous character to the fieldman who is disposed to build permanently and well for himself.



Every insurance man should have his personal copy of **The National Underwriter**

The life insurance edition keeps you informed regarding the latest news in life insurance. A staff of 125 correspondents and a brilliant editorial staff makes this possible.

For \$3 a year you receive fifty-two regular issues plus five special editions including the famous Life Payments number.

Don't delay—subscribe today
The National Underwriter
A-1946 Insurance Exchange
Chicago

ROYAL UNION LIFE INSURANCE COMPANY

DES MOINES, IOWA



Royal Union Life Building
Cor. Seventh and Grand Ave.,
Des Moines, Iowa

Has \$145,000,000.00 Insurance in Force.

It has paid to policyholders over \$28,000,000.00.

It is constructive and conservative.

It has an attractive and complete line of fast selling policies.

It is fair and considerate with its agents.

Its steady progress and aggressive methods have been constantly attracting the best type of insurance men.

ROYAL UNION LIFE INSURANCE COMPANY

DES MOINES, IOWA

A. C. TUCKER, President

SINCE



1871

The increasing popularity of the Annuity, in its various forms, most happily bespeaks a future of more widespread security and comfort for America's aged.

Our rates on this highly serviceable investment are exceptionally attractive.

THE LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

JOHN G. WALKER
Chairman of the Board

BRADFORD H. WALKER
President

At your finger tips - - -

All the information you need about life insurance companies, a thorough analysis of policy provisions, 20 year actual histories (net figures), ordinary life 20 year net premiums at every age. Also rates with and without disability and double indemnity, term rates, industrial rates, dividends on term and paid up policies, cash values and other useful data.

This valuable information is given in the Little Gem Life Chart (The Little "Red Book").

Bound in real leather— $\frac{1}{2}$ " thick—contains 720 pages printed on thin paper.

Write for prices.

The National Underwriter Co.

A-1946 Insurance Exchange
Chicago

WHY 54% INCREASE?

The Home Life Insurance Company initiated its present program of expansion and development of the quality idea in 1927. During the first seven months of this year some of the results have been, in comparison with the corresponding period in 1927—

Increase in new business 54%

Increase in amount of average sale 61%

87% of our total business was on policies of \$5,000 and over.

We should be glad indeed to furnish details of our entire program to any man who is interested in the business of Life Insurance and of life agency management as a career and is willing to embark on a thorough going period of training and development and during that period pay the necessary price in time and effort.



HOME LIFE INSURANCE COMPANY

NEW YORK

Ethelbert Ide Low,
President

James A. Fulton
Agency Vice President

One Hundred Leads Each Day

Each day an average of more than one hundred leads go out to the Fidelity field—good live leads on interested prospects. Millions of dollars of high grade business is being written directly from these leads.

Easier Selling

Fidelity lead service and Low Rate policies make selling easier. Fidelity operates in thirty-nine states, including New York, on a full level net premium basis with more than \$85,000,000 in assets and over \$400,000,000 insurance in force.

Desirable franchises open for the right men seeking a wider and more profitable field of action.

THE FIDELITY MUTUAL LIFE INSURANCE COMPANY PHILADELPHIA

Walter LeMar Talbot, President

W. L. MOODY, JR. President
W. L. MOODY, III Vice-President
W. J. SHAW Secretary
SHEARN MOODY Vice-President
T. L. CROSS Vice-President

American National Insurance Company

HOME OFFICE:

GALVESTON, TEXAS

\$568,557,042.00 INSURANCE IN FORCE

We Have Openings for Live Men in

Kansas	Minnesota	Texas
Kentucky	North Carolina	West Virginia
Michigan	South Carolina	

Under Direct Home Office Contracts

**ORDINARY—INDUSTRIAL
GROUP—HEALTH AND ACCIDENT**

Liberal First Year and Renewal Commissions
Up to Date Policies—Non Medical—Group and Special Low
Premium Plans Offering New and Attractive Features.

If Interested Address

AMERICAN NATIONAL INSURANCE CO.
GALVESTON, TEXAS

UNITED LIFE AGENTS ARE FORTUNATE

Both the scope and the liberality of the unusual benefits contained in our policy make it in truth—"A Policy You Can Sell."

This Policy is in a class by itself combining life and accident insurance in one contract.

Features of the United Policy \$5,000

All in One Policy

Any natural death.....	\$ 5,000
Any accidental death.....	10,000
Certain accidental deaths.....	15,000

Accident Benefits \$50 per WEEK for fifty-two weeks \$25 per WEEK thereafter (non-cancellable)
Disability Income, Waiver of Premiums, etc.

Also \$5,000 "Preferred Risk" Policy—high value—low premiums; age 35, \$19.91 per \$1,000. Endowment Age 85—Juveniles age 10 years and upward—Monthly Income—Non-medical. New men given thorough training.

Insures and assures your client's future and yours.

UNITED LIFE & ACCIDENT INSURANCE COMPANY

Concord, New Hampshire

Address all inquiries to EUGENE E. REED, Vice-President

Biloxi Bound!



At beautiful Biloxi, on the Gulf Coast of Mississippi, miles of bridle paths greet those who enjoy horseback riding. The shady paths, bordered with weeping palms, wind about among the live oaks, magnolias and shrubs, with no automobile traffic. What more could man want to furnish relaxation, exercise, or mental relief from long months of business pressure?

The trip to Biloxi in January will be a memorable and gala one for American Central fieldmen who distinguish themselves by attaining membership in the Company's Field Club—an organization composed exclusively of the American Central's best producers.



Just one of the many reasons why American Central representatives are happy and successful.



A True Story

One year after graduating from a large university a young man found himself out of work and, as occasionally happens at such times, quite financially embarrassed. He needed money at once, but had practically no security on which to base a loan. He did have, however, a Northwestern Mutual policy which he took to the agent who sold him the policy and asked for and received a considerable loan.

This incident proves that every policyholder needs and is entitled to a service which can be obtained only from personal negotiation with a competent and responsible agent.

Northwestern Mutual field representatives are thoroughly trained and equipped with complete information and data regarding life insurance. They can truly be called Insurance Counsellors.

All Northwestern Mutual agents know that life insurance is a service and that their obligation does not cease upon delivery of the policy. They are firm believers in the creed "that those who use life insurance ought to have the assistance and advice of an intelligent and responsible agent at the time of the sale and throughout the life of the policy, if maximum results from insurance are to be procured."

There is still plenty of opportunities in life insurance with sufficient remuneration for sincere, hard-working and unselfish agents.

**THE
NORTHWESTERN MUTUAL LIFE
INSURANCE COMPANY
MILWAUKEE, WISCONSIN**

A Growing Company in A Great City

The Chicago National Life, located in the great insurance center of Chicago and imbued with its spirit of progress has rapidly forged to the front in the world of insurance. Although a comparative newcomer as far as years of existence are concerned, yet nevertheless its aggressive tactics coupled with keen foresight have placed it among the leaders in its home state in written new business for the year.

This marked preference for Chicago National Life protection is amply justified by its splendid record of achievement. Of all the Illinois legal reserve companies the Chicago National Life; in the sixth year of its existence wrote *more new business in its home state than any other company!*

The Chicago National Life feels that such a distinction should be of inestimable benefit to agents. Profitable agency connections are now available in Illinois, Indiana, Iowa, Kentucky, Missouri, Kansas and Ohio.

Write to A. E. Johnson, General Manager, or A. F. Seelig, Agency Manager.

CHICAGO NATIONAL LIFE INSURANCE COMPANY

1400 W. Washington Blvd.
Chicago, Illinois

Intelligent Progression

The Mutual Benefit was organized in 1845, and for upwards of eighty years has been administered by a succession of directors and officers whose conduct of its affairs has merited and received the confidence and approval of hundreds of thousands of policyholders.

Not only has its history been marked by the fidelity, ability, and integrity of the officials who from time to time have been responsible for the Mutual Benefit's financial management, but the Mutual Benefit has also been distinguished throughout its history for intelligent progression in the provisions of its contracts which, with unbroken adherence to sound actuarial principles, have made the Mutual Benefit a leader in life insurance underwriting.

As improvements in contracts have been developed, liberalizing their provisions, the new benefits have been uniformly extended to earlier outstanding contracts, in so far as possible, thus securing to the earliest policyholder the benefits enjoyed by the latest.



THE MUTUAL BENEFIT LIFE INSURANCE COMPANY

NEWARK - - - - NEW JERSEY

The Accident and Health Review

"A monthly Paper for Accident and Health Insurance Men"

The Accident and Health Review is the only magazine published which exclusively covers the accident and health field.

Agents everywhere are receiving new ideas and suggestions each month which close that "hard" client.

You can't afford not to read a magazine covering **your** particular field!

Subscribe today!
\$2 a year.

Published by The National Underwriter Company

The Accident and Health Review

A-1946 Insurance Exchange
Chicago, Illinois

We offer high commission paying agency contracts in Illinois, Indiana, Ohio, and Missouri. High commissions mean little, however, if nullified by a hard-to-sell, incomplete line of policies or a high rejection rate. An examination of our policies—especially the NEW special low rate contracts now being issued—will reveal their worth. Recently the company retained an advertising agency which is providing MODERN sales helps in the form of attractively produced advertising literature, prospect letters, etc. A house organ that really helps the agent sell goes monthly to our representatives. The company has no away-out-in-front producers to hog its agency contests. Modern Juvenile insurance adds to the attractiveness of our proposition. We believe that there are many men to whom our company will appeal and it is in hope of your being one of them that this message has been inserted. If you care to obtain further information address E. J. Cotter, Supt. of Agents. Your communication will be treated in strictest confidence.

THE PEOPLES LIFE INSURANCE COMPANY-ILLINOIS.
CHICAGO, ILLINOIS.
Seymour Stedman-President.
G.L. Lutterloh · · · Secretary

Strong Features

Aid Union Mutual Producers:

- Square Dealings
- Liberal Policies
- Financial Stability

Inquire About Agency Opportunities:

UNION MUTUAL
Life Insurance Company

PORTLAND, MAINE

Founded 1848

FACTS

The growth and success of the Berkshire Life Insurance Company has resulted principally from the efforts and success of its loyal field force.

This company is ever mindful of the fact that the Agents' success is the Company's success.

The Home Office strives, at all times, to give complete cooperation and service to agents and policyholders.

"Ask Any Berkshire Agent"

BERKSHIRE LIFE INSURANCE CO.

Incorporated 1851
PITTSFIELD, MASS.

CONVENTIONS

are both a reward and a stimulus
to leading underwriters.

In appreciation of this fact ATLANTIC LIFE each year brings together its "Aces" for three days of pleasure and recreation.

In recent years our meetings have been held at the Essex and Sussex (1927), Chateau Frontenac (1928), and the Jefferson and the Cavalier (1929).

Our next convention will be held in September, 1930, at the Hotel Ambassador, Atlantic City. The requirements for qualification are reasonable and adjusted to assist men who come with us now.

Ask us how you can qualify as an Ace in 1930.



All that this Seal Implies

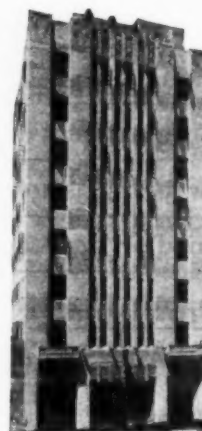
ATLANTIC LIFE INSURANCE CO.

Richmond, Virginia

Angus O. Swink, President

Wm. H. Harrison, Vice Pres. & Supt. of Agencies

California



Mountain States Life
Building

Climate enables the life insurance man to work continuously. Business is good and we have desirable territory for men of character and ability.

We also have territory in Colorado, Wyoming, Nebraska, Arizona, Nevada, and New Mexico.

Two new contracts, good sellers. Write for details. : : : : :

MOUNTAIN STATES LIFE INSURANCE COMPANY

Hollywood, California

William L. Vernon, President

R. N. Stevenson, Vice-President

Address: J. M. Miller, Agency Secretary

Drawer V. Hollywood

DENVER

V. R. WATSON
414 Denham Bldg.

SAN FRANCISCO

ERNEST RIBERA
410 Hobart Bldg., 582 Market Street



The Minnesota Mutual Life Insurance Co.

SAINT PAUL

THREE Dividend Increases in **Three** Years—
1927, 1928, 1929.

NINE New Schedules in **SEVENTEEN** Years—
1909, 1911, 1913, 1914, 1922, 1923, 1927, 1928,
1929.

No reductions in Dividends during the Influenza and War Periods—A ratio of Net Surplus to Net Liabilities of over 9%.

AGENCY OPPORTUNITIES IN
TWENTY-EIGHT STATES

Write the Home Office—Saint Paul, Minn.

We announce appointment of
ANTHONY J. BARRETT
as General Agent for Washington, D. C.
Address 708 Tower Building



All that this Seal Implies

YOU Who Are Interested in Selling Life Insurance

or who may become interested in its sale, will want to know why The Gem City Life Insurance Company has nearly 14 times as much insurance in force at the close of 1928 as it had ten years before.

The agency contract and the unusually wide range of underwriting provided by the company, that includes all standard and many special forms of participating and non-participating life, accident and health and group policies, with premiums payable monthly, quarterly, semi-annually or annually, are some of the substantial reasons for the outstanding progress the company is making.

There are other equally impressive reasons and if you will write to I. A. Morrisett, President, at Dayton, Ohio, he will be glad to give you complete details of that agency contract and the very many reasons why it will pay you to join the rapidly expanding agency staff.

The company wishes representatives in Ohio, Michigan, West Virginia, Tennessee, Alabama, Georgia, Louisiana, Florida and the District of Columbia.

The Gem City Life Insurance Company

OF DAYTON, OHIO

The Rapidly Growing Company

The Pacific Mutual issues all forms of Life and Accident insurance usually sold by the best companies, and in addition offers many other features that are attractive to salesmen.

Among them you will find:

The Non-Cancellable Income policy

The "5-way" Multiple Protection Policy

Permanent Total Disability of \$15.00 per thousand with 90-day Presumptive Clause

Excess interest dividends on instalment payments the first ten years on Retirement Income Bonds

Direct Mail Plan of selling which is so popular at present

School of instruction for agents

It offers the field man the best there is in modern selling methods and supplies him with a full line of attractive policy contracts, both Life and Accident.

General Agency contracts may be arranged in certain portions of the following states.

Illinois

Ohio

Indiana

Delaware

Pennsylvania

Nebraska

and several other prosperous states.

If you have had a successful life insurance career and are financially able to undertake the building of a general agency send full outline of your experience and references to

ARTHUR C. PARSONS

Vice-President and Superintendent of Agencies

SIXTY-ONE YEARS OLD

Assets over 145 million

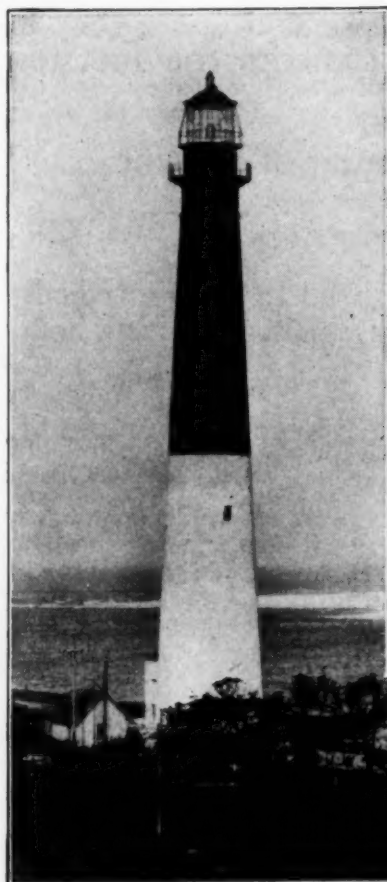
Life Insurance in force over 700 million

**The Pacific Mutual Life Insurance Company
of California**

Home Office: Los Angeles, California

3rd Convention Daily

Dependable



The dependability of the Lighthouse is unquestioned. The mariner depends upon its warning light to guide safely his course.

Dependable as a Lighthouse is the Security Life Insurance Company of America.

Best's Life Reports for 1929 says:

"The Company has reputable and able backing."

"Policyholders surplus is more than sufficient for all contingencies."

"The Reserve basis is very strong."

"The mortality rate is very favorable."

"Expenses are moderate and reducing."

"Its investments are of excellent quality."

"The Company pays death claims promptly."

"The premium rates are low."

"Limited payment policies become participating after premium paying period."

"OUR GENERAL RATING OF THIS COMPANY IS EXCELLENT."

WE say—"We offer the best contract to Agents of any prominent Company."

WE say—"We have *the* Policies."

WE suggest you ask to see our Agents' contract and samples of our Policies.

SECURITY LIFE
INSURANCE COMPANY OF AMERICA
O. W. JOHNSON
President
CHICAGO